

Central Government, the Central Government is obliged to sanction grants and subsidy to the employers for the construction of houses for labour. The Minister of Urban Development had given an assurance last year to look into this matter.

I, therefore, urge upon the Government to seriously consider this matter and take an urgent and appropriate action to sanction House Building grants for the workers of tea-gardens with a view to rehabilitating them as early as possible.

(viii) Demand for Import of 1000 tonnes of mulberry Silk from China and elsewhere in order to tide over Crisis in Tamil Nadu Silk Handlooms Industry

SHRI P. KOLANDAIVELU (Gobichettipalayam): Sir, in Tamil Nadu there are one lakh Mulberry Silk Handlooms providing direct and subsidiary employment and livelihood to nearly ten lakhs of people. The annual requirement of Mulberry Silk for Handlooms in Tamil Nadu is about 2500 tonnes. Since September 1987, the Mulberry Silk prices in Karnataka have gone up suddenly by 75%. This sudden spurt in prices of silk has created a severe crisis for the silk handloom weavers in Tamil Nadu. If the same trend continues for some time, nearly ten lakhs of people depending on this handloom weaving industry will be deprived of their income and employment. The following reasons are attributed for the short supply and steep rise of price of Mulberry Silk:-

- (1) Non-availability of imported raw-silk from China;
- (2) Reduced Mulberry Silk production in Karnataka due to drought condition in that State during 1987-88;
- (3) Increased demand for raw-silk

from the powerloom and silk textiles exporting industry; and

- (4) Dupion Silk (waste cotton and course silk yarn) is used by the silk textiles exporting industry. Recently, charka raw-silk producers in Karnataka have switched over to the production of Dupion Silk whose price has gone up from Rs. 150/- to Rs. 550/- per kg.

Hence I request the Government to take appropriate and urgent action for the import of 1000 tonnes of Mulberry Silk from China and other countries exclusively for the use of Handlooms in Tamil Nadu in order to tide over the present crisis in the Mulberry Silk Handloom Industry.

12.25 hrs.

GENERAL BUDGET, 1988-89 — GENERAL DISCUSSIONS CONTD.

[English]

MR. DEPUTY SPEAKER: Now we take up next item — Further General Discussion on Budget (General) for 1988-89. Shri Ram Nagina Mishra to continue. Try to be brief as you have already taken six minutes.

[Translation]

SHRI RAM NAGINA MISHRA (Salem-pur): Sir, yesterday I was expressing my views on the Budget. Howsoever much we may praise the hon. Finance Minister for presenting such a Budget, it will not be enough. Yesterday I had submitted that this is the First Budget about which it may be said that it is socialistic in approach and is rural oriented.

[Sh. Ram Nagina Mishra]

Now I want to draw the attention of the hon. Minister towards a few points. I have submitted here earlier also that our Government believes in socialism and fortunately our hon. Minister of Finance also has socialistic views and has presented a socialistic Budget. I have already submitted that as in rural areas, land demarcation should be done in urban areas as well.

Next, I want to submit that reservations were made for the weaker sections of the society and for Harijans in particular so that they are able to rise above the poverty line. But under the existing situation, these provisions are not benefitting the poor very much. This is so because those who have improved their economic condition by getting benefit of this provision and have become Members of Parliament, Members of State Assemblies, Police Officers, Collectors, Tehsildars etc. continue to get this facility for themselves and for their families. I want to submit that such Harijans who have improved their economic position should be barred from getting this facility and instead it should be made available to those harijan families, who have not been able to improve their lot so far.

Secondly, the grants given to the poor farmers, particularly Harijans are not being utilised properly. Everyone knows that the amounts given as grants are pocketed by the Government officials. Therefore, I want to request the hon. Minister that instead of giving them grants, interest free loans should be extended to them. This will reach the beneficiaries and will be utilised properly.

Now I want to draw the attention of the hon. Minister towards Uttar Pradesh. The main crop of this State is sugarcane. There are 104 sugar mills in this state yet we cannot expect that these mills will be able to crush the entire sugarcane produced there. Earlier there were crushers etc. but now they are not

in a working condition. In fact, only 35 to 40 per cent of cane was crushed in the mills the rest used to be crushed by crushers etc. But they are in a very poor condition now. Therefore, I want to submit to the hon. Minister that keeping in view the quantity of sugarcane produced in this State, the Government of Uttar Pradesh should be allowed to open more and more sugar factories and to encourage crushers etc. So that the entire sugar-cane is crushed and in future also, we have not to face any difficulty in this respect. Along with it, it should be seen that cane growers receive their payments from the factories regularly.

Now, I want to draw the attention of the hon. Minister to any area Salempur and Deoria district. Deoria is surrounded by rivers, the Narayani is in the North, the Chhhoti Narayani is in the middle, the Ghaghra and the Rapti are in the South. As a result, this district is devastated by floods every year. No such project has been prepared so far by which Deoria can be saved from floods. Due to the Piprasi embankment, lakhs of acres of land is being washed away every year. No dam has been constructed between Bihar and Uttar Pradesh till today. Similarly, the banks of the river Ghaghara are also being eroded. All the villages situated on the banks of this river are being washed away. Although Government has constructed Stone embankments but it is not adequate. The Chhoti Narayani river is also facing the same problem. Therefore, I would like that the hon. Minister should provide special assistance for constructing embankments so that the devastation of villages can be prevented.

Sir, there are 14 sugar factories in Deoria but there is no big factory in Salempur tehsil. I want to submit that a paper mill should be set there because various raw materials like bagasse, 'kual' and bamboo are available there in plenty. Deoria has all the natural resources for this purpose. A paper factory should be established in Sa-

lempur so that the educated persons with graduation and Post graduation degrees find employment there.

I want to submit one more point. Our villages with a population of 1500 to 2000 are not connected with the main road of the district and I want that they should be linked. I want that the hon. Minister should allocate substantial amounts for the development of the backward districts and the big villages should be connected with the main road. Moreover, irrigation facilities are not available in Salempur Tehsil. Canals are there at other places but not at Salempur. Therefore, I want to request that maximum number of tube wells should be sunk there so that irrigation facilities are available and agriculture production is increased. I want to draw the attention of the hon. Minister especially towards Salempur Tehsil.

Sir, there were certain flaws in the Direct Taxes (Amendment) Bill, which was passed during the last session. Keeping in view those flaws, the hon. Minister had then promised to bring forward an amending Bill to rectify those flaws in public interest. I want to request the hon. Minister that this Bill should be brought at the earliest as otherwise our social traditions will be destroyed and our small tax payers will have to face many difficulties.

In the end, I want to thank the hon. Minister innumerable times for presenting a Socialistic Budget by which special relief will be provided to the 80 per cent population of our country who are engaged in agriculture and are living in the rural areas.

The present Budget has instilled fear in the hearts of our opposition parties. They have termed the present Budget as an election budget. They know that this Budget will satisfy 80% of the country's farmers and that is why they did not like to hear anything yesterday. I once again thank the hon. Min-

ister for presenting a socialist Budget which would benefit the rural people.

[English]

SHRI H.M. PATEL (Sabarkantha): Mr. Deputy Speaker Sir, I must say that this is a very ingenious budget and an excellent public relations performance. It has created an illusion in the minds of almost everybody. Everybody is given something. The salaried class, the industrial working class, farmers — large and small — children, even the ailing have not been left out. Therefore, by doing this he has created a superb illusion. It is as if the century's most severe drought has had no effect on the economy. He has not touched any of the major economic problems of the country.

Take, for example, inflation. It has been suggested though not expressly by him yet the Finance Ministry spokesman has said that there will be very little inflationary effect of this budget. The budget which has been preceded by two budgets with large deficit financing and the very larger deficit this year is bound to increase substantially in the course of the year. Yet they say that this will have no effect on prices. In fact, prices are bound to be affected. They have already been affected. It is only by concentrating on whole-sale price index that a feeling has been created that the consumer prices have been affected only in a minor way. That unfortunately, is not the case. It is true that there might have been much bigger increase in prices than has actually taken place. Nevertheless the increase in consumer prices has been substantial and it will cause considerable hardship to the common man.

There are so many other major problems that have not been touched at all — the problem of unemployment. First I would like to go back to concessions that have been given and to which I referred earlier. This long list of concessions amount in total relief

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to a little over Rs. 700 crores whereas tax burden imposed is of Rs. 1265 crores. The net additional burden is thus shown between Rs. 500 to Rs. 600 crores. But no mention has been made of the burden imposed only a little before the budget through administered prices and through increase in railway freight and fares and various changes in postal tariff.

SHRI RAM PYARE PANIKA (Robertsganj): You also did in your time.

SHRI H.M. PATEL: We are talking about this budget. I will tell you about other things. It was never done like that.

SHRI RAM PYARE PANIKA: You increased the prices of coal to the tune of 55 per cent whereas our government has increased it only by 16 per cent. (*Interruptions*)

SHRI H.M. PATEL: Somehow the hon. members opposite have an allergy about the short Janata period. Let me tell them that Mr. Bhagat tried to show that the price increase during that period was of the highest but he, however, admitted that that was in 1979-80. In 1977-78 and 1978-79 he had to admit there was practically no price increase. Then in 1979-80 was not a Janata government. It was a government which was brought into being helped by you. Further in 1979-80 the price rise was considerable because there was drought. This fact is not mentioned. Besides this, there was the second oil shock.

This is what should have been brought out. I don't wish to go into that because it is not relevant, to my mind, to this Budget. As I was saying, the burden imposed by this budget upon the ordinary man-on the tax payers and the rest of them, the consumers—is very nearly Rs. 3,000 crores. This is what we should take into account, the total burden that has been imposed. Now, therefore, to show that Government cares for the people, you draw attention to the large number of

concessions that have been made. And certain well-intentioned, quite welcome and innovative schemes have been brought out. Again, they should have been spelt out little more fully.

Kutirjyoti, for instance, sounds very nice. But in giving effect to that, what will be necessary? Where will it be given? You must have power. There are areas where electricity has already reached 100 per cent in rural areas. These are not the States where *Kutirjyoti* is needed. It will be needed in the States in which rural area has not yet been electrified to the extent that is necessary. If that is so, where is the power going to be brought from? That you will provide one lamp in every cottage, every house, is good. It is desirable idea. But it is not something which is going to be practicable within a reasonably short period of time.

You take the *Jaldhara*; the position is similar same thing. It is a very good scheme and would be helpful to the farmers. But which farmers? It is the majority of the small farmers that are to be found in this country who need help, who need assistance after 3 or 4 drought years that they have had to face. They are not going to be assisted materially through this scheme. But all the same. I do admit that these are schemes which are certainly to be welcomed whenever they come out, provided the machinery for implementing them is efficient.

There are a large number of industrially sick units in this country now. The number exceeds 100,000. Government has schemes for helping the industrially sick units. But why then so many more units continue to be added? That is something which should have been gone into. If they had gone into that, they would have found that it is because the machinery they have set up however good on paper—is not functioning as efficiently, as expeditiously as it should. When an industrial unit goes sick,

the first need for it is to have assistance that is promised to it given as speedily, as efficiently as is possible. That does not happen with the result that those who are incipiently sick become really sick. If assistance even then does not turn up in time, they are finished. This, you will find is really one of the major reasons for the continuous increase in the industrially sick units. I would have expected the Finance Minister to have given some attention to this. He probably has. But, it so he has not mentioned in his Budget.

Why has he not made any reference to the mounting increase in Government expenditure? It is one of the major problems. Particularly, the non-plan, non-development, expenditure is steadily rising. They would say, 'yes', because the interest charges are increasing. Why are the interest charges increasing? Because there is a big revenue deficit. Revenue expenditure far exceeds the revenue income and is over 900 crores. You have to borrow. Then there are the subsidies. Can you reduce the subsidies? It is difficult to reduce them given the purposes for which they are given. The same is the case with defence expenditure. These are the expenditures which take a large chunk of the total Budget revenue expenditure. Some attention has to be paid to these. There is no reference as to how it is proposed to fill the gap. Are you going to continue borrowing? Borrowing means increasing interest charges and the burden of increasing the interest charges is becoming unbearably great. I think, it has already reached 30 per cent of the Centre's non-development expenditure. It is as high as 75 to 76 per cent of the total borrowings, both internal and external. This is one of the most serious problems that faces the country and at least this House should have been told as to how Government proposes to tackle this problem.

I would refer to certain other matters. Why is it necessary for the Government to

claim that the outlay on agriculture has been increased by 40 per cent? There are no figures that I can see in the Budget papers which make this point clear. Indeed, the plan allotment of agriculture is less than last year. If you add the irrigation, it still does not amount to increase by 40 per cent. I hope that the Finance Minister will clear it when he replies to the debate.

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): I have already made it clear in the pages 14 and 15 of the Budget Summary under Department of Agriculture, Cooperation and Water Resources. If you look at those figures, it will be clear.

SHRI H.M. PATEL: I have seen it, it is not clear. Nevertheless, I will certainly go into it and I will be happy to accept the explanation, if it is so. I have no desire that I should be proved right in this matter. There are other things which I will be glad if the hon. Minister would clarify because they indicate as if Government is committing a Branch of Faith. For instance, Government invited the public to subscribe to bonds and debentures in which they promised total wealth tax exemption. Now, it has been proposed to limit it to Rs. 5 lakhs. In fact even in some offers, which are even now open, this particular exemption of wealth tax is there. It seems to me that the basis on which subscriptions were invited should not have been modified.

Similarly, there are some other changes Long term fiscal policy was promised to the people. You said that you were moving towards a long-term fiscal policy. But how do you propose to do this? When you decided to abolish the Estate duty, you really told the people that this would not be reintroduced, but you have now brought it in another form; not exactly in the same form, but nevertheless it is substantially the same kind of tax and, more or less, the same quantum of return you expect to get from it, about Rs. ten

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crores. You call it transfer of wealth through inheritance tax. Within three years the same Government changes its policy and changes its attitude. Is this in consonance with your promise to have a long-term fiscal policy?

Further, in regard to excise duty, you promised that you were moving towards abolishing the multiplicity of rates and bringing them under some single-rate grouping. Here again, it seems as if you have postponed the idea of effecting this change because it is certainly not in keeping with your promise in the long-term fiscal policy proposals.

Likewise the surcharge was imposed only a few months ago to meet the drought conditions. You had promised then that that would be only for the period of the drought, and now you have extended it; it is continuing. The excuse given by you is that you do not want to destabilise; stability has to be maintained of tax structure and so on. But that does not seem to be wholly consistent with whatever has been done in this and in certain other respects. The Government should not do things which involve dishonouring its own words. I think that is very very important. These are blatant breaches of promises.

I consider that the Government should have shown some candour; more candour is expected of and from the Government. In all these respects, they should have taken the whole House into confidence.

Then, in regard to public sector enterprises, the Economic Survey talks of 12 per cent return and the fact is that if the oil sector is left out, the profit earned by the remaining public sector enterprises will be either negligible or many be even minus.

SHRI MURLI DEORA (Bombay South): Not minus, but it will be very less.

SHRI H. M. PATEL: Even then, why put 12 per cent? Whatever be the good intentions of the Finance Minister, in regard to so many other things too, I would earnestly request him to think of setting up some kind of a monitoring organization to ensure that the expected objectives are achieved. Such as the one I mentioned about the industrially sick units

Now, if you are proposing that the agricultural sector should really benefit from the various schemes that you have introduced through this Budget, and in order that the benefit reaches the farmer, small and marginal farmers or any farmer for that matter, then I would suggest that you set up a special organisation which will see to it that this in fact happens. By now, you should have certainly known that several of your anti-poverty schemes, through which large sums of money are being distributed, are not in fact reaching the persons who should have been the real beneficiaries. So, I hope that the Government will tell us as to what it proposes to do to see that whatever is necessary for helping the agriculturists, and particularly the rural sector, will be done that Government will give a clear picture of steps it proposes to take to control inflation and what exactly it has in mind for reviving the industry, the capital market and for building up a healthy balance of payment position.

[*Translation*]

SHRI RAM PYARE PANIKA (Robertsganj): Mr. Deputy Speaker, Sir, I heartily congratulate the hon. Finance Minister for presenting a Budget whose strength lies in its emphasis on the upliftment of the weaker sections of society, alleviating the suffering of farmers, extending assistance to tribals and Adivasis living in remote areas and solving the problems of rural artisans. There is hardly any section of our society whose problems have been overlooked while preparing this Budget. The hon. Fi-

nance Minister has closely examined our problems. Even last year's economic position has been kept in mind. For this our hon. Finance Minister deserves to be congratulated.

What can I say about our hon. colleagues in the opposition. I thank the people of India for what they did yesterday, the 15th of March. They did well to avoid falling prey to the evil designs of the opposition. The opposition was bent on bringing production in the country to a halt. They wanted to take the country to its doom but for the Indian public who cold-shouldered them. All their plans went away. Now it seems that for years to come the opposition will fight shy of organising any *bandhs*. The result of the *bandh* is before us. There is an Indian proverb which goes like "*Khisiyani Billi Khamba Noche.*" This came true yesterday when the hon. Members of the Opposition came into the House and tried to insult the Chair. Insulting the Chair is insulting the House and an insult to the House is an insult to the masses of this land. They did not bother about the great traditions of this House. Their objective, it seems, is to progress with the help of misguided policies and meaningless programmes. Their words betray their lack of knowledge of the text of the Budget. I have listened to Shri Somnath Chatterjee of the C.P.I.[M] and Shri C. Madhav Reddi. I have also listened to the former Finance Minister Shri Patel who spoke just now. After listening to them I have been so much disappointed as never before. That day the hon. Finance Minister took one hour and forty-five minutes to read the Budget speech. As he went on reading the faces of opposition members fell and they went away dejected. When the press asked for their reactions the only thing they had to say was that this was an election budget. They are blind to the objectives and programmes of this Budget.

13.00 hrs.

I want to highlight 5 points. Shri Patel has now left. I wanted to remind him of what happened between 1977 and 1979. At that time only a few areas in the country were affected by drought as compared to the present when the entire nation is reeling under the effects of drought. Yet the inflation during his tenure rose to 21.8%. If we look back at the economy in that period it can be seen that agricultural production was down by 17% and industrial production by 1.7%. Despite this difficulty our Gross National Income has gone up by 1.2% whereas at that time it decreased by 4.7%. But in comparison to that now when our 35 meteorological sub-divisions have been hit this year by floods and drought in the country, the next result is that in terms of agricultural output we may be short by 7 or 8 million tonnes but the last few months have seen industrial production rise by 16% and today it is averaging around 10.2%. Not only that they wanted to disturb the core sector industries, close down thermal power stations, stop local production and thus to ruin the whole economy. Despite the shattered economy that this Government inherited from Shri Patel's Government the former has managed to increase the output of coal and power to 10.2% and 50,000 Megawatt respectively. Economic growth was left at 21% but this Government's efforts have increase it to 55%. Is this not a matter of pride? Can the hon. Member still remain unappreciative of this achievement?

Today iron-ore production stands at 84 million tonnes. By increasing the output of iron, cement, power, coal etc. we have strengthened the infrastructure of our core industries. And we are moving forward in spite of hurdles like drought and floods because we have developed a sound infrastructure to lean on.

In spite of the trying circumstances, the

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hon. Finance Minister has presented a growth oriented budget as has been pointed out by the Press and the President of the Chamber of Commerce. Farmers have been given a concession of 2.5% in the payment of interest and they will now get money on 10% interest.

A revolutionary step has been taken by introduction of schemes like 'Jaldhara'. Although our target is 175 we should be able to achieve upto 160 this year. Apart from dams and large-scale projects, the Government is now concentrating on micro-level plans keeping in view the needs of the situation. The hon. Finance Minister has kept the basic needs like food, cloth and shelter, of the common man in mind while preparing this Budget. Everyone has praised this Budget. Even the economists of the country have expressed their deep satisfaction. All this seems beyond the comprehension of our hon. colleagues in the Opposition. A leader of the C.P.I.[M] said that there was nothing new in this Budget. I once again congratulate the hon. Finance Minister and the hon. Prime Minister for presenting such a good Budget.

Our colleagues belonging to Opposition talk a lot about inflation. If they look at the present National Income everything will be clear to them. With its Five-Year Plans the present Government has pushed the country on the road to progress. If the Opposition takes a close look they can see that this Government has been successful in controlling inflation to a large extent. They also talk about deficit financing. I want to quote some figures to clarify this point. The deficit in 1984-85, 1985-86 and 1986-87 was 8.14%, 9.70% and 9.79% respectively. This year inspite of floods, drought and other problems the rate of inflation has been 10.17%. The Government has used other resources to make good this shortage. So it can be said that this deficit is negligible. Economists

around the world do not consider a rate of 10% as very high. Our hon. colleagues in the Opposition are sowing the seeds of confusion in the minds of the people which is sure to give rise to fear. They are telling the public that our Government wants to increase the rate of inflation.

I thank the hon. Finance Minister and the hon. Prime Minister for fulfilling their promises to the people. I am sure the steps taken by our hon. Finance Minister will check the growth of inflation. The rise in prices will also be checked. I feel that this Budget has been prepared very carefully.

Some leaders of the C.P.I.[M] have accused that the Congress[*I*] Government has always been presenting deficit Budgets. They say this trend has continued ever since the Congress Party started framing Budgets 40 years ago. I do not agree with them at all. Their only job is to oppose. Whenever our hon. colleagues from the C.P.I. [M] give a speech they use almost the same words, as if they have everything by heart. Last Friday, speaking on the Constitution [Amendment] Bill, Shri Somnath used the same words again without giving any thought to the subject? There are several new programmes in this Budget. This is a growth oriented Budget, one which is directed towards the poor section of society. An idea has been mooted to set up a Financial Corporation for Scheduled Castes and Scheduled Tribes. This is certainly a welcome step that will develop our rural areas.

Just now while giving his speech, Shri Patel mentioned something about 'Kutir Jyoti'. The figures that he gave on this subject are totally wrong. I think he has not made an in-depth study of this subject. The present Government has been able to provide electricity to tribal areas. Even the houses of the poor can now boast of electricity connections. A visit to these houses will amply prove my point. We are continuously moving on the path of rapid development. The Government

has paid considerable attention towards the problems of farmers. Our hon. Minister has tried his best to encourage the farmers. This is the reason why our farmers now are quite enthusiastic. I there any doubt about it?

[English]

MR. DEPUTY SPEAKER: You have taken fifteen minutes. Others are waiting. Give your time to others.

[Translation]

SHRI RAM PYARE PANIKA : I have only given an introduction, now I would like to give some suggestions to the Government. We have encouraged not only farmers but also workers engaged in industrial production by giving them incentives as we have been doing in the past. We all have been demanding that and I am in agreement with the hon. Minister's suggestion. I do not go into these details. Will not these steps result in increased agricultural production? Under the Jaldhara Scheme, water will be made available on nominal charges to those poor farmers who cannot afford to purchase pumpsets, so what objections do the opposition Members have over this. I am aware of the confidence the common man has in the leadership of the Hon. Prime Minister Rajivji because of the Budget presented by the Congress Government. Since the *Bandh* organised by the opposition has failed, the opposition leaders are, therefore, talking like this.

I would like to state what they said yesterday. They talked about corruption, unemployment and high prices. I don't understand as to how they talk about corruption. Do they talk about those Chief Ministers in regard to whom the High Court has put a question mark** They talk about corruption** they talk about corruption** they talk about

corruption of those who have come into the grip of the High Court for nepotism and corruption and now cannot go scot free. Now in order to save themselves they are talking in one voice. Out of frustration they are now organising themselves immorally. Now just see the Janata Party and the Lok Dal (A) are coming together on the basis of casteism and communalism and not because of any common ideology. Their aim is only to destabilise the Government which is taking country on the path of rapid development. During 1977, they were able to create confusion in the minds of the people and tried to annihilate the country and they are now again raising their heads by coming together. Not only this, now Lok Dal (B) is joining hands with the Jan Sangh which is a communalist party, in order to succeed in their dirty designs by raising the question of casteism communalism and regionalism, which are obstacles in the way of achieving national integration. They are neither bothered about farmers, nor about workers. They have no faith in the Public Sector in which they organised 3 to 6 day's strike. They are only interested in giving a set back to industrial and agricultural production in the country. They conspired to organise strike in industries so as to close down the Thermal Power Station which had only 2 to 3 days' coal left with them for power generation. They are not well wishers of farmers, labourers and the downtrodden, but are only interested in gabbing power. What the Hon. Prime Minister has said in Hyderabad, it has given some hope to the farmers but they are trying to divert the attention of masses by raising the bogey of corruption and inflation. If anybody wants to see corruption, he should go to West Bengal. It is not we who are saying this thing. It has already been ruled by the High Court. Sir, to make my position clear, I will quote an old proverb. In rural areas people have both a seive and a winnowing basket. There are many holes in

**Not recorded.

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the sieve but only one hole in the winnowing basket. We can understand if a winnowing basket says something, but if a sieve which has many holes says something, it becomes very difficult to understand. There are allegations in thousands against the opposition. If you want to see how they are indulging in nepotism—how they are benefiting their sons, nephews and their son in law. Just see—what he wants to make his son in law. (*Interruptions*). Sir, these hon. Members are not interested in country's prosperity. Nowadays the nation is passing through a crisis when both unity and integrity of the nation are in danger. All of the hon. Members should at least unite on national issues. The Government has tried its level best to steer the masses out of the unprecedented drought by dint of hard work. The opposition should have cooperated with the Government in this hour of crisis. But instead of extending any co-operation, they are raising petty sensitive issues like casteism, communalism, regionalism and language to weaken the country. I would like to assure the hon. Minister of Finance, that the promises he had made through the Budget would be achieved by him successfully as he has soft corner for the poor and because he has long experience.

SHRI JUJHAR SINGH (Jhalawar) : Mr. Deputy Speaker, Sir, I welcome the Budget for 1988-89 presented by the hon. Minister of Finance especially, because of its rural orientation. All of us feel that the development of the nation is depended on the development of villages. Our industrial growth is also dependent on agricultural production in rural areas. I would like to thank the hon. Minister of Finance for fixing targets for strengthening the rural areas after understanding the basic problem. I would also like to thank the hon. Minister of Finance because this Budget has been prepared in the special circumstances prevailing in the country. Many parts of our country are in the grip of severe drought for

the last 3 to 4 years. The state of Rajasthan to which I belong is reeling under drought for the last four years. In order to tide over the present calamity, we all have thought that some or the other tax would be imposed but instead the Minister has presented a budget for ensuring development of rural areas for which also I am very thankful to him.

Now, I would like to highlight some problems faced by the people in rural areas. First of all, I would like to apprise the hon. Members of the steps taken by the Government to solve the basic problems faced by the people in villages. As far as I believe the basic problem being faced by the nation is of population. Through certain measures population growth has almost been checked among the educated class in urban areas but despite all these measures the rate of growth of population continues to be the same in the backward and rural areas. Despite efforts of the Government the rate of growth continues to be high. Therefore the Government is requested to pay attention to this problem which can damage the whole of the economy. I would not like to speak much on this, except that the Family Planning programme has gradually become Government oriented. Despite incentives and disbursement of money to couples adopting the programme it has not really taken off. People go in for Family Planning Programme which is being implemented by Government Agencies on their own, for monetary gains and acquisition of land but the rural people have become indifferent towards this programme. That is why this programme is not catching up. This is a basic problem which should be tackled on priority basis.

Secondly, serious efforts have not been made to diversify 75 per cent of the rural population which is dependent on agriculture alone. There has not been much development in the fields like bee-keeping, poultry, dairy farming, etc. The people in rural areas have not taken up other occupations on a large scale. Most of them are still

dependent on agriculture. On the other hand in developed countries like England and America fifty per cent of the population is employed in allied fields like Poultry and Dairy farming, etc, but in India the entire population continues to be dependent on agriculture. This is the reason for emergence of several problems during the drought situation. Some steps have been taken by the Government to develop cottage industries but not to the desired extent.

I come from that region of Rajasthan, where Canals of the river Chambal flow and this has given rise to a seepage problem on a large scale. I feel that if fishery is taken up seriously in that area and is developed, fishery can be well developed there. It has still not started. To achieve rural diversification special attention should be paid to cottage industries and allied subjects.

Thirdly, there is a big problem which relates to environment. I come from a village. The way the forests are being cut has spoiled the whole environment, the cycle of rains has changed and the people who live in villages today, firmly believe in their hearts rightly or wrongly that the change in the cycle is a permanent one? Whether there will be timely rain-fall next year or not and if there is no timely rain fall next year too, what will then be the position. I want to submit that where the sources of irrigation are available, where water is available that should be utilised to the maximum. My area is such and I have urged many times in this House before while speaking on various other demands that about 80 per cent area of Jhalawar parliamentary constituency in Rajasthan has the requisite potential for irrigation but we have been able to irrigate only 14 per cent area. Therefore whatever development has been made there is not uniform. Wherever there is a capable leader he gets development work done in his area and even gets such things done which are not needed. In comparison to other areas where irrigation and other

facilities are available, these areas are being neglected continuously and regularly. I want to submit that under special circumstances prevailing today when the cycle of season has even changed whatever the resources are available should be utilised to the maximum possible extent so that these areas can also be developed.

Mr. Deputy Speaker, Sir, there is one thing more which is the most important thing for development of villages. There are no means of communications. Due to lack of means of communications, we are not able to transport whatever is produced in that area, to the markets. There are some areas in my constituency where many rivers flow. During rainy season, there is obstruction in traffic after every 3 to 4 miles and our mobility becomes practically nil. Therefore I submit that roads should be developed there so that whatever the farmers produce can be transported to the markets. Similarly new varieties of seeds have been developed in these days and I feel that hon. Minister also agrees to this that reforestation will take many years but the underground water the level of which has gone down in the wells, can be recharged. We should check soil erosion and make efforts to raise the level of water in wells by utilising whatever rain-water is available and for this purpose we should construct small check dams.

Mr. Deputy Speaker, before concluding my speech, I would like to say one thing more. Deforestation has done maximum harm to the villages, 85 per cent trees are cut to meet the fuel requirements. Therefore, fast growing varieties of wood, suitable for fuel purposes, should be planted. The wood used for construction works whose productivity is also very necessary and which is costly too, should be saved from being used as fuel. Therefore by planting fast growing varieties public needs of fuel should be met.

Mr. Deputy Speaker, though I have still to say a lot, but due to shortage of time, I

[Sh. Jujhar Singh]

conclude and take my seat.

[English]

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Mr. Deputy Speaker, Sir, I rise to support the Budget for 1988-89. Our Finance Minister has shown himself as an economist and also as the best Finance Minister in India. Actually this budget is a farmer's Budget. Some press reports and economists and others have stated that it is a political Budget. I Sincerely think that it is a farmer's Budget.

It is a skillfully balanced Budget of our hon. Minister of Finance. Actually, it will be remembered as one of the most ingenious devices of any Government, 40 years since India gained her freedom. It serves an economic purpose and not a political purpose.

The Budget has made a very considerable show of reducing the burden on virtually every segment of the population. So many concessions have been given not only to the farmers but also to the down-trodden people. Now, the farmers are actually getting loans at substantially lower rate of interest. Further, the excise duty on pumpsets have been withdrawn. The fertilizer prices have also been reduced by seven-and-a-half per cent and that will actually help the poor farmers, who are depending upon agriculture. Moreover, the homeless people are also promised to have their own houses at lower rate of interest. This is another boon that has been given to the down-trodden and to the weaker sections of the community. The rural middle-class people have been given cheaper soap, cheaper electric bulbs, in certain cases, cheaper toys for their children, cheaper clothes, cheaper glassware and best of all, all electrical appliances and steel utensils. This will automatically and naturally help the poor people.

Sir, the reduction on customs and ex-

cise duties on synthetic fibres, if passed on to the consumers, will also bring widespread relief to the urban lower-middle class people and to the working-class people. This is a very good effort that has been made by the hon. Finance Minister in order to help the people. A greater and significant attempt that has been made by our Finance Minister Shri Tiwari was to reduce the cost of medicines and also the medical-care by exempting essential drugs and sophisticated medical equipment. This also helps the poorest sections of the people.

Looking at purely the economic point of view, it is evident that many of the concessions announced, made good sense. Actually, he has used his mind in preparing the budget. The budget must be to the poorer masses and the weaker sections of the people. So, I have to appreciate and congratulate the Finance Minister who has brought in a very populist and at the same time a skillfully balancing of the budget.

Even with regard to fertilizer prices, actually the fertilizer prices were high and the weaker sections of our agricultural community were unable to use fertilizers at all for the last 4-5 years. That was the difficulty. There was monsoon failure several times. Consecutively, for the last 4-5 years, there was monsoon failure and drought was prevailing all over the country. The hon. Finance Minister came to know all these things and in order to help the farmers and poor agriculturists, he has reduced the fertilizer prices by seven-and-a-half percent. This is a boon to the farmers. This is an helping tendency that has been shown by the hon. Finance Minister to the agriculturists.

With regard to rural employment programmes also, he has stated that that would be reviewed and made more efficient. That is also another assurance that has been promised by the Finance Minister to the poorer

sections of the people and the agriculturists.

As far as Defence expenditure is concerned, that was going up previously. Last year, it has gone up by 63 per cent or so. Last year, the Defence expenditure was put at Rs. 12500 crores. Now, it has been reduced by Rs.500 crores and it has been put at Rs.12000 crores. In spite of the Indian Peace-Keeping Force remaining in the Island of Sri Lanka, that has been reduced. There was a criticism even by some of the Opposition parties that about Rs.3 crores is being spent by the Government of India everyday on that account. That is an accusation against the Government of India by the Opposition parties. Actually, it is not so, The IPKF is kept in Sri Lanka only in order to restore peace, in order to save the valuable lives and in order to give security and protect the people of Tamils in Sri Lanka. We have to see things in this light. That is why the IPKF is remaining in Sri Lanka.

Sir, the Finance Minister's budget this year-1988-89 actually represents a skilful balancing of reliefs, expenditure increases and revenue raising measures that do not fall heavily, particularly on the common people of our country. This is very important. I beg to submit that you have given a farmer's Budget, a skilful Budget and a balancing Budget. We appreciate it. At the same time, we have got some grievances about Tamil Nadu. So many projects have not been cleared by the Centre so far.

You know fully well that as regards Madras city, the Telgu Ganga Project has been pending for the last four years. Our late Madam Gandhi actually laid the foundation stone for this Telgu-Ganga Project. But that has not been cleared. Even now we are facing water problem not only in the Madras city but in almost all the rural area. There is no water available for drinking purpose. That is the main thing. The Centre must come forward to clear the Telgu-Ganga

Project immediately so that the people of Madras city at least get water from the Krishna river.

Another important thing is... (*Interruptions*)

SHRIMATI BASAVARAJESWARI (Bellary) : Madam did not lay the foundation stone for Telgu-Ganga Project. She laid the foundation for drinking water to Madras.

SHRI P. KOLANDAIVELU: No, no. It was Telgu-Ganga Project. I tell you, in that your Chief Minister Mr. Hegde was also there. The Chief Minister of Andhra Pradesh also attended. My Chief Minister and the Kerala Chief Minister also attended. Even the Chief Minister of Maharashtra Mr. Patel was there. I know fully well. I was a Minister at that time.

Another thing is that you have conferred the best civilian award, the highest civilian award to our beloved Chief Minister, Late Dr. MGR. We are very grateful to the Centre for having conferred the highest civilian award to the Late Dr. MGR. At the same time, we make a request to you that the air terminal in Madras be named after MGR because when you have conferred the best award to my Chief Minister you should also name the air terminal at Madras after the name of MGR.

Another important thing is the Kaveri Award dispute. That has not been solved so far. When my Chief Minister was alive, he was pressing upon the Central Government to have a tribunal to finalise the water disputes between the States of Karnataka and Tamil Nadu. Even now we go to them with a begging bowl. Every time we have to go to Kanartaka to get water through Barter System. They are not giving it freely. By means of Bareter System only, we are able to get water. Recently they have released 4 TMC. But we need 10 TMC of water for the crops in the Thanjavur district which is a granary or

[Sh. P. Kolandaivelu]

Tamil Nadu. You should request the Karnataka Government to release another 6 TMC of water immediately for the crops in the Thanjavur district.

Another important project is the Sethu-Samudrum project. Sethu-Samudrum project has been pending for the last twenty years with the Centre. That has not been cleared. Why is the Centre taking such an attitude to not to clear the Sethu-Samudrum project? When there is war, this project is of help not only to Tamil Nadu but to the whole nation, So, this Sethu-Samudrum project has to be cleared.

Another thing is the East-Coast Road. When I was the Minister for Highways, I was pressing upon the Centre to clear this project which costs Rs.150 crores. This is also a very important project. This project covers a distance of about 850 kilometres from Madras to Cap Comorin. This is a very important project and it has to be cleared.

Our Finance Minister has to be praised for the Budget, he has to be appreciated, he has to be congratulated for having given a farmers' Budget, a skilful and a balancing Budget. Thank you.

[*Translation*]

SHRI CHANDULAL CHANDRAKAR (Drug): Mr. Deputy Speaker, Sir, first of all I would like to say that keeping in mind the problems being faced by the farmers and rural areas requisite relief has been provided in the budget which has been presented this time by Shri Narayan Dutt Tiwari. During the last 40 years, it is probably for the first time that special attention has been given to farmers and poor people living in far-flung areas. For this, I congratulate our hon. Minister and the Prime Minister. As far as it has been possible, efforts have been made to provide facilities to them. Though problems are many but there are two main problems

which our country is facing to-day. One is of rising prices and the second of poverty accompanied by unemployment. Both these problems cannot be solved by making speeches or by taking ad-hoc steps. For this we will have to make in-depth study to find out as to how these can be solved. Today is an age of specialisation in the world as well as in India. Unless there is a specialist in every field, things do not move forward. Whether it is production of vegetables, whether it is brick making or checking pollution, etc. There is a need of specialists in every field. The necessities which existed earlier have changed after forty years. Therefore, it is necessary to give more attention towards establishing more universities and research centres in India to suit our requirements. Students which come out from colleges today get no employment. They get only academic and bookish knowledge whereas there should be professional studies. That is why after completion of studies upto B.A., M.A. level, they seek the post of a driver, a conductor or a peon. Studies take a long time to complete. Therefore it is all right upto the Higher Secondary stage but thereafter there is a need for specialisation. For this, we may have to open Institutes. But today, it has become a rule these days that after higher secondary everybody wants to join a college for graduation.

Attention is not being paid towards the farmers who produce grains in the country. For them, a University of Horticulture should be opened. They should be provided with degrees. Thus, universities for 7 to 8 subjects should be opened. Forestry comes next. Many people want to plant trees but they do not know the types of trees which should be planted. To study all these things, a University of Forestry should be established. Similarly a University of Veterinary is needed too. When the people find no other avenues, they become veterinary doctors. There is no dearth of cattle-wealth in our country. Ploughing of land and many other

jobs are done with the help of the cattle. Protection of the cattle is equally important as the protection of men. Therefore, a University of Veterinary should be opened which can produce capable doctors. There are many more similar things like house-building. We see that 20 per cent students in German Universities study architecture which is the most important field. The problem of constructing houses in our country is very critical. According to the available figures, there is a shortage of 4 crore houses but actually the shortage is much more. Therefore we should also open a University of Architecture to acquire this knowledge. Many people will say that Architecture is taught as a subject at many places. Even the work of making bricks should be entrusted to specialists. See the plight of the workers engaged in manufacturing bricks. I know that their condition is not better than that of bonded labourers. I know that from my constituency, from Uttar Pradesh the people go to distant places for this work. So a University of Architecture should also be established. Training in manufacturing better quality bricks should be imparted. Similarly, there is a need to make cheap and strong houses. It is necessary that training centres for fabricating cheap and strong houses should be established in every district. At those places which are very hot, there should be heat resisting houses and in the cold regions there should be cold resisting houses. Nowadays, many literate boys remain unemployed and are in search of employment but they do not get it. There are many obstacles in the way of establishing industries. They become Managers there but they do not possess any knowledge of management. Therefore, I want there should be a University of Management. At present there are only two to four such universities in Bombay and Baroda but this will not solve the problem. There are about 500 districts in our country. Every district needs it. There should be an Institution of Management, a University of Management

where training should be imparted. Where it should be taught, how small scale industries can be set up and what type of management should be there in industries. Whether it is a small scale industry or it is a medium scale industry, management training is needed in both the sectors. At present there are universities where only degrees are important. History is taught there. Art subjects are taught there. The boys when they come out from there, do not get employment. Today the need is that they should get employment after completing education, they should be employed in one or the other occupation, they should be trained as good Managers.

In our area all our crops depend on irrigation. Everybody wants that irrigation facilities should be provided in his area. Without irrigation facilities crops do not grow. Whatever efforts you may make, irrigation facilities cannot be provided in more than 50 per cent land in our country. It may be possible in case of Punjab or Haryana. Therefore we should not depend on rains only. As such, training should be imparted in this connection also. For this, such universities should be opened where training for growing rain-fed crops should be given. Nowadays, mere issuing degrees is not enough. Degrees in commerce or arts do not ensure employment. It would be better if universities are opened for particular subjects. The Government should pay more attention towards agriculture. Our Government has done much useful work in this field. 176 districts have specially been selected for growing more grains and rice so that more paddy can be grown. Although our Government has formulated a plan and set out a target for increasing foodgrain production by 17.5 crore after the current five year plan but it can't be achieved simply by saying. It requires a review of different aspects of agriculture throughout the country. Although our Finance Minister is very wise but still I request and suggest that an Agriculture Commission should be appointed as early

[Sh. Chandulal Chandrakar]

as possible. Although in 1928-29 the Royal Agriculture Commission had been appointed in this country but now its recommendations have become out of date in view of the circumstances of today. Hence there has been a demand for appointing an Agricultural Price Commission in the country but I request that let there be an Agriculture Commission to enable us to find out the ways and means for developing our agriculture and villages and for increasing agricultural production. This is very essential.

According to the Agriculture Department Agriculture Science Centres have been opened at many places while their objective was to open an Agriculture Science Centre in every district. But as I know wherever these centres have been set up, there are neither agricultural experts nor scientists. Whatever is done it is done superficially. I want that an Agricultural Centre is set up in every district where services of scientists and Agricultural Experts be made available so that our farmers are able to learn as to how production can be increased and progress can be achieved.

It is requested that the date of presenting the Budget in the House should be changed. We have been demanding it since long. The reason for not changing it is still unknown. The budget is presented on 28th or 29th of February which is not only contrary to the circumstances of this country but also harmful. It might have some utility for the Britishers as they used to function in their own interests according to the system of England but it is quite contrary and harmful to our interests. I, therefore, request this date should be changed. Although the Hon. Prime Minister had appointed the L.K. Jha Committee to advice in this matter and after taking into account all the circumstances the Committee came to the conclusion that the budget of this country should be presented either on 1st January or on 1st July but I want that it should be presented either in Septem-

ber or in October. The reason for this is that during this period the overall position of the whole country becomes quite clear about the volume of rain fall, quantity of production, the possibilities of the coming harvest, the quantity of water available in rivers and rivulets, irrigational requirements, availability and non-availability of drinking water, the number of relief works required to be undertaken and the amount of money available for the same. Keeping in view all these facts provisions can be made in the budget. What is the use of such a budget which is prepared without knowing all the above mentioned facts. I know that your officers will certainly put obstructions in this regard but a firm determination is required for it. Viewing from the practical point of view it becomes necessary to present the budget in September or in October. This is a well known fact that after having approved the budget the funds are made available to the States by 15-20 April and then these funds are not properly utilised and remain lying unutilised in every district as rains start from 15-20 June.

As has been pointed out by Members, who have spoken before me in the House, the level of water in wells and tubewells at all places have gone down. It is mainly because that much sand, mud and stones have accumulated in our rivers and even after having a small volume of rain the rivers start overflowing and the entire water flows into the ocean and becomes useless for us. I request the Central Government to set up a Dredger Corporation to solve this problem. Undoubtedly, it is a very costly and difficult work but by organising it we can save the relief assistance amounting to 3-6 thousand crores of rupees, which we have to provide to the people every year. As there are Central Dredger Corporations for the main rivers of the country like the Ganga, the Yamuna, the Brahmaputra, etc., similarly separate Dredger Corporations should be set up in every State to remove sand, etc., from small rivers. Unless, the sand and other matter is

not removed from the rivers, we will have to go on facing the menace of flood and drought every year. I, therefore, request the hon. Minister of Finance to set up immediately a Dredger Corporation in the country. Some funds should be allocated for this purpose so that the Dredger Corporation is able to do its work accordingly. This will ensure required supply of water both for drinking and irrigation purposes, as all the tubewells will start working.

Our hon. Finance Minister has been a Chief Minister of a State and he knows that housing problem in our country is very serious and we are in need of houses. But we find that fertile agricultural land is being utilised for setting up various colonies. On the one hand, the area of agricultural land is going on decreasing and on the other the population is going on increasing, Hence it is very necessary that colonies should be allowed to be built on such land which is barren and uncultivable. Keeping in view the speed with which our population is going on increasing, the remaining cultivable land will be utilised for housing and we will be left with no cultivable land at all. Hence in every district there should be one or two satellite towns on 200, 400 and 600 acres of land where all facilities like roads, electricity, etc. should be provided. Besides, training centres should be set up there for imparting technical education to the youths of today so that they are able to start their own work after receiving this training. For this purpose all facilities should be provided to them so that they are able to set up their own factories there itself instead of migrating to cities.

Mr. Deputy Speaker, Sir, I want to conclude in a little while. At present the condition of environment in the country is not so bad but soon the same situation as is prevalent in foreign countries, will have to be faced in our country also due to the population explosion. In foreign countries, river-water, the land and the air have become polluted. Some-

thing, therefore, be done well in time so that our country has not to face such a situation. The Department for prevention of pollution does not pay any heed towards our complaints. The condition of water in river in foreign countries is such that even the legs of animals become forstbitten when they pass by the side of rivers due to accumulation of much acid in their waters. Hence to save the country from such a state there is a need to work speedily to bring about an improvement in the Environment.

Mr. Deputy Speaker, Sir, in the end, I would like to say to the hon. Finance Minister that there is shortage of electricity and energy. There is much cattle-wealth in our country and its dung can be used for different purposes. So the people in rural areas should be provided incentives and all the requisite facilities for setting up gobar gas plants. Some financial assistance should be extended to them for this purpose. I want to tell you that manure is far better than even urea for increasing agricultural production. In forests, trees are being cut for using the wood as fuel. If some relief for using gobar gas is provided to the villagers then there would be less cutting of trees. The poor make their both ends meet with great hardships. We can save our electricity and prevent deforestation if we give some incentives for using gobar gas and for launching such programmes which are based on gobar gas.

Mr. Deputy Speaker, Sir, I conclude and thank you very much.

[English]

SHRI M.R. SAIKIA (Nowgong): Mr. Deputy Speaker Sir, I rise to make some observations on the General Budget. Last year, the Finance Minister promised in the House to contain the limit of deficiencies within the limits but this has been achieved by reckless increase of administered prices

[Sh. M.R. Saikia]
of petrol, edible oils, sugar, steel, etc.

13.59 hrs.

[SHRI SOMNATH RATH *in the Chair*]

As a result of this, what we have seen in the last three months is that price index has been increased by 10 per cent. This year also our Finance Minister has shown a deficit of Rs. 7484 crores. This deficit, the increase of administered prices will definitely give more favour to the inflationary forces. In the next year, the price index may go upto 20 percent. In the Budget, the Finance Minister has introduced some measures to provide marginal relief to the weaker sections of the people but this marginal relief will definitely be wiped out by increase in prices. The marginal relief provided in the budget would become needless by higher rate of inflation. Then, where is the marginal relief?

14.00 hrs.

Secondly, the most distressing feature in the Budget is that it does not indicate any measure to accelerate the growth of our economy. Widening of the deficit Budget is largely due to increased expenditure on the non-developmental schemes, particularly Defence, interest payment, subsidies and salaries. Nearly eighty-five per cent of the increased expenditure is in respect of non-developmental schemes, interest payment, subsidy etc. A huge amount of expenditure has to be incurred to meet the cost of administration. The burden of deficit financing is because of non-developmental expenditure and increase in administered prices and that will definitely lead to higher rate of inflation. Therefore, the question arises whether the economy with such a high rate of inflation can absorb the heavy doses of deficit financing. Moreover, the deficit financing together with concessions given in excise duty on a number of items would lead to expand the

aggregate demand in our economy. As a result of this, there would be all round price rises and that is what is going to happen. Such price rise will lead to fresh wage demand and that would inflate industrial products. All these things taken together will upset the cost estimates of our development programmes. Therefore, I urge upon the hon. Minister to take some concrete steps, definite steps to arrest the price rise.

In this connection, I would like to suggest that some concrete measures should be taken to expand the base of revenue. From the side of the Government also, some steps should be taken to reduce the burden on our Budget by arresting the increased expenditure on salaries, and allowances from borrowed money. Further, steps should be taken to improve the efficiency of the public sector.

One of the most important thing that I would like to mention in this connection is that steps should be taken to recover the farm loans. Side by side, steps should be taken to change the quality and pattern of farm loans, otherwise the banks in the country may face a serious situation at the time of executing the agricultural credit programmes.

Thirdly, inflationary pressures are of great concern, as far as the balance of payment is concerned. We have witnessed unprecedented drought in major parts of the country, and unprecedented floods in some other parts of the country. These have caused a heavy strain on our balance of payment. Moreover, what do we find today? According to the estimates of the World Bank, the overseas loans of this country are Rs.33000 crores, but the Government of India estimates put it at Rs. 23000 crores. The average debt liability of every Indian is more than Rs.1500 and this is more than the annual income of most of the Indians today. Out of the total earnings that we get from foreign exchange, minimum 25 per cent

goes for interest payment. Thus, what do you find today? The whole country is on the verge of being trapped in the foreign debt, overseas debt. Therefore, some positive steps should be taken in this regard. I would like to suggest some of the steps.

Although the Finance Minister has indicated some provisions for a rapid and sustained growth of export and additional imports, the question is, how much it would be possible to follow them unless you improve the quality and efficiency of the industrial products. At the present moment our products are facing fine competition. Unless you improve the quality of the product, unless you improve the efficiency of our products, how would it be possible to face the competition in the international market? Therefore, some steps should be taken in this direction. If we really want to have a rapid and sustained growth of export and additional import, then we must take steps to improve the quality and efficiency of the industrial products. Sir, in this connection, I would like to say that the Government should take some steps, not by raising the price of petroleum but by some other method to reduce the consumption of petroleum in both, Public sector as well as private sector. Unless you reduce the rate of consumption of petroleum, the balance of payment will be overburdened because we have to import huge quantity of crude oil from the foreign countries. So, you have to reduce its consumption.

I would suggest that steps should be taken and funds should be allotted for the exploitation of our own resources so that we can reduce the burden on India's balance of payment.

Our Finance Minister and most of my colleagues from the other side praised the Budget saying it as a 'popular' Budget in the sense that it has provided some reliefs to the

poorer sections of the society. Somebody has said it as a 'socialist Budget' a 'Welfare Budget'. But what have we been experiencing? During the last 40 years, in every year's Budget there are some provisions to give relief to the weaker sections of the society. But the question is whether those reliefs are reaching the people? I am sorry to mention that the Finance Minister has also failed to indicate any measure which is proposed to be taken to ensure that these benefits will go to those people for whom they are meant. Therefore, though apparently it is people's Budget, the question is, who will enjoy those benefits? What do we find in the case of anti-poverty schemes which are going on in the rural areas, spending thousands and thousand of crores of rupees? The real benefits have gone to whom? Who has been benefited by it? I would say, not the real people and not the weaker sections of the society. Always these benefits are enjoyed by the middleman. Therefore, in this Budget we expected that certain measures must be introduced by the Finance Minister which will ensure that such benefits would reach the poor people. But in the Budget we find no such indication.

Lastly, Sir, I would like to say that if there is a rise in prices the whole year round, then to my mind there is no point in having an annual Budget. If the price rises from day-to-day, the price changes from day-to-day at the cost of the consumers, then what is the meaning of having an Annual Budget. We want to frame a Budget keeping in view the interests of the people. But whether the Budget has served the interests of the people or not? I think it has not served the interest of the people at all. Therefore, to my mind there is no meaning of having an Annual Budget, unless we can take some concrete measures to maintain the price rise. But in the Budget there is no mention about the solution of the problem of price rise, balance of payment and of deficit financing.

[Sh. M.R. Sakia]

With these few words I conclude my speech.

14.10 hrs.

[English]

BUSINESS ADVISORY COMMITTEE

Fiftieth Report

THE MINISTER OF STATE IN THE
MINISTRY OF PARLIAMENTARY AF-
FAIRS (SHRIMATI SHEILA DIKSHIT): I beg

14.10 1/2 hrs.

GENERAL BUDGET-1988-89-GENERAL DISCUSSION CONTD.

[English]

SHRI LAKSHMAN MALLICK
(Jagatsinghpur) : (a) I rise to support the
General Budget for the year 1988-89. This is
a most popular Budget. This is a rural ori-
ented Budget.

I think the Union Finance Minister of
presenting the timely Budget to restructure
the anti-poverty plans to elevate the rural
farming people of the country. This Budget
indicates the Union Government's political
and economic policies for uplifting the rural
people. The Budget is for helping the starved
and drought wrecked villages with the com-
bination of subsidies and growth oriented
incentives. In this Budget there is a massive
increase in the plan outlay for Agriculture.
Subsidies on food and fertilizers were up by
20 per cent. The interest on crop loan has
been reduced. Goods required to Agricul-
ture like electric motors, machinery for horti-
culture, poultry and been keeping have been

made cheaper. Excise duty on pesticides
has been reduced from 105 per cent to 70
per cent. Government have also made a cut
in Excise Duty from 40 per cent to 15 per cent
on cold storage components. Reliefs to
Food processing and packaging industries
have also been ensured. The Government
have rightly given incentives for the manu-
factured products by the Registered co-
operative in villages areas.

I thank the Finance Minister for an-
nouncing the package programme specially
meant for rural people. So he has given more
weightage for the village people. Steps re-
garding exemption in excise duty for Khadi
and Village Boards for making Jam, Jelly
and Pickles need appreciation.

I would appreciate the Finance Minister
for introducing projects like Jaladhara
Schemes for spreading ownership of
pumpsets in drought affected areas. The
Kutir Jyoti Scheme has been introduced for
giving lights. He has also allocated a sepa-
rate fund for Rs. 100 crores for rural housing
programme.

The Government have also chosen
simultaneously to appease the middle class
people who are living in the urban areas, at
the same time keeping the bulk of his pres-
ents for the people who are living in the rural
areas or for a specified depressed popula-
tion such as Scheduled Castes and Sched-
uled Tribes.

There will be no increase in taxes, In-
centives for savings will go up. NREP,
RLEGP and IRDP programmes are ex-
pected to be more stronger because of in-
creased allocations in the Budget.

The Finance Minister had taken con-
scious steps for wooing the rural poor, al-
though he had raised the outlay on anti-
poverty programme. He has announced
only marginally a plan to sink 1 million wells

for the exclusive use of Harijans and Tribals.

The setting up of Scheduled Castes and Scheduled Tribes Corporation at the national level is a welcome step. It is meant for Harijans and Adivasis. You might be knowing that already Scheduled Castes and Scheduled Tribes Corporations are functioning now in some States. Due to want of funds, they are not functioning properly. I urge upon the Finance Minister to instruct the State Governments for improving the functioning of the Scheduled Castes and Scheduled Tribes Corporations. Group insurance for artisans, school teachers and milk producer is a good step.

In agricultural sector more assistance to small and marginal farmers and introduction of crop insurance schemes are anticipated. The Government has already included in the plan rural based technology mission on water, oil, seed, immunization, literacy and telecommunications. This is a very good effort on the part of the government. Housing schemes and particularly Indira Awas Yojana will benefit the people in housing schemes due to this Budget.

I consider this budget to be the softest budget in the last ten years. This budget will fulfil the aspirations of the Father of the Nation, Mahatma Gandhi, that unless the rural community in this country is not elevated, the country will not progress. The present budget is certainly a good news to most of the people. By this Budget, the effect of price rise has been neutralized somewhat by excise and other reliefs.

I am happy that government has taken radical stand to switch over to agricultural sector from industry and responded to the call of rural people. I will urge the government to see that schemes are properly and timely implemented and officers not properly implementing schemes are taken to task. The Reports and findings of Comptroller and

Auditor General in mis-utilisation and irregular expenditure should be followed with immediate action. Unnecessary expenditure in office establishment should be reduced. There should be co-ordination of the departmental schemes in every sector. Responsibility must be fixed against those who misuse the objectives of the budget and as a whole anybody who is detrimental in implementing schemes and promote corruption should be dealt with strictly. I will appeal to the government to see that no price rise and corruption takes place.

I would like to say a word about my State, Orissa, as well as my constituency. There is no proper development of Paradip Port. Paradip Port is one of the 10 major ports in the country. It has been neglected. It needs to develop and modernise. It is regrettable that adequate fund provision has not been made for development of Paradip Port. As the economy of the State largely depends on this Port, the government should take necessary steps for the expansion and development of the Port. Fishing harbour and oil refining facilities and ship building yard should be set up at Paradip. Provision should be made to implement these projects, and on-going projects. I urge upon the Finance Minister to see that all on-going projects which have already been started should be completed on time.

There was a proposal to set up an integrated steel plant at Paradip. The location was subsequently shifted to Daitari. But the steel plant has not been set up at that place. In order to provide additional employment to the unemployed youths, it is necessary that the Steel plant should be set up at Daitari very soon. Thank you.

[Translation]

SHRI GANGA RAM (Firozabad) : Mr. Chairman, Sir, I hereby welcome and support the Budget for the year 1988-89 pre-

[Shri Ganga Ram]

sented by the hon. Finance Minister to the Supreme Legislative Body of this country i.e. this House. The best way in which the human and moral value have been incorporated in this Budget is highly commendable. This is farmers and labourers oriented. Budget. Whatever has been done by the hon. Finance Minister through this Budget for big, small and marginal farmers, agricultural and landless labourers, poor weavers, minorities and for those downtrodden who have been exploited for centuries is an successful attempt to give a practical shape to the ideas of Rashtrapita Mahatma Gandhi, the sevir of the poor Smt. Indira Gandhi and young and popular Prime Minister Shri Rajiv Gandhi, who is fully dedicated to the cause of humble and afflicted persons. The hon. Finance Minister deserves congratulations for presenting a balanced Budget. At the present rates of taxation a gross revenue of 41,985 crore is likely to be earned and after taking into account the expenses o be incurred, a deficit of Rs. 8,120 crores will be left. The new taxes which have been imposed are within limits and I think the following couplet of Shri Anwar Mirzapuri is relevant in this context:

"Phool kutch is tarah tor ai Baghban;
Shakh hilne na paye, na Aawaz ho,
Varna Gulshan mein raunak na phir
Aaeygi,
Dil gar har kali ka Dahal jayega."

Mr. Chairman, Sir, the hon. Finance Minister has plucked the flowers in such a way that there has been neither any movement nor any sound in the branch with the result that the heart of every bud is cheerful. This Budget is a symbol of innovative and sound thinking of the Hon. Prime Minister and an indicator of the socialistic ideology of our socialist hon. Finance Minister.

Sir, there are 555 lakh agricultural labourers in this country and out of them 182.5 lakhs belong to Scheduled Castes

and 71.7 lakhs belong to Scheduled Tribes. These agricultural labourers are unorganised and live in villages. A commendable provision has been in this Budget to improve their pitiable condition. I wish to suggest that a provision should be made to give Rs. 500 per month as unemployment allowance to at least one person of each family of this class. The process of giving an unemployment allowance to other bonafide families should be started with this small scheme. As far as I know there is a provision in England and Sweden for giving unemployment allowance. In Sweden this allowance is almost equal to the salary of an employed person. The hon. Finance Minister may please look into my above suggestions just on experimental basis. I must say that the poor in this country are living with this hope that;

Raat Bhale Lambi ho lekin nishchit
kabhi subah aayegi,

Jarata sabhi tirohit hongI nai chetna
lahrayegi"

Sir, there is a provision for KUTIR JYOTI and JALDHARA schemes on page 9 of Budget Speech. This is a new innovation, new thinking and a new assumption which is highly commendable. Some persons have said out side that under the KUTIR JYOTI scheme there is a proposal to give one electric bulb in every hut and the hut made of grass will catch fire. This is being said by the Members belonging to the Opposition. It is a pity that as and when our party, our Prime Minister or the Finance Minister wants to do something for the welfare of public that is usually criticized by the Opposition parties. But I would like to tell you that the schemes of KUTIR JYOTI and JAL DHARA have created a new enthusiasm among the weaker sections in rural areas. A new programme is being started by HUDCO to provide housing facilities to the small or marginal farmers whose monthly income is below Rs. seven hundred. This amount will be advanced on 7 per cent interest and will be

recoverable in 22 years. Along with this I would like to tell the hon. Finance Minister that the work which is being done under the INDIRA AWAS YOJANA in the country is highly laudable. More funds should be made available for this scheme because this scheme is being praised everywhere. The poor people are getting shelter under this scheme, therefore, more funds should be allocated for this scheme.

In comparison to last year, in this Budget more money has been allocated for the coordinated plan and the Special Component Plan. In this Budget an amount of Rs. 180 crore has been earmarked for Scheduled Castes and Rs. 185 crores for Scheduled Tribes. I would like to urge the hon. Finance Minister to increase this money a little more. The amount for Scheduled Castes may be increased to Rs. 200 crore because there are 15 crore Scheduled Castes in India while the number of Scheduled Tribes is 7.5 crores. When the population of Scheduled Caste is just double then that of Scheduled Tribes, the amount allocated for this Special Coordinated Plan should be increased to some extent.

I would also like to point out that the Government does allot the money but that is not being utilised properly. An amount of Rs. 125 crore was allotted in the last year's Budget also but only 13 or 14 per cent of that amount was spent and the rest was transferred to the General Budget. Whenever any plan is formulated and funds are allocated for the welfare of the poor, it must be ensured that the funds are properly utilised. Its monitoring is also necessary.

I want to congratulate the hon. Finance Minister for providing Rs. 50 crore for setting up a Corporation at the National level for the development of Scheduled Castes and Scheduled Tribes as he had done in Uttar Pradesh during Chief Ministership. I think that this amount of Rs. 50 crore is not suffi-

cient for the population of 25 crores. I, therefore, request you to increase this amount to Rs. 100 crores. I understand that this will ensure their better development.

Sir, I would also like to say that the policies of the Government are formulated by us in this House but those policies are implemented by the Government staff and officers. Sometimes we cast aspersions on the. No special relief has been provided to the Government employees in this Budget. The standard deduction has been increased from ten thousand to twelve thousand. I want to tell you by citing an example that the salary of a Secretary of the Government of India is rupees eight thousand per month but after Income-tax deductions he only gets a salary equal to that of a Section Officer. In several countries, the Government employees have been exempted from payment of Income-tax. I urge upon the Government to increase the standard deduction from Rs. 12 thousand to Rs. 15 thousand because a large portion of their salary is deducted as Income-Tax. The Government employees are the only tax payers in this country whose income tax is deducted at source and they have nothing to hide. The other people who are millionaires and billionaires, hide a large portion of their incomes and make money in black markets. This requires a serious consideration.

In the end, I would like to talk about my own constituency. The Government had prepared a Dacoit affected Region Development Scheme for the Chambal Valley with the assistance of E.E.C. But unfortunately the work is being done at a very slow speed. Several bridges have been sanctioned but have not been constructed so far. It might have been better if some more money had been allocated for this plan. I have many a times requested the Indian Government as well as the State Government to declare the rural area of Agra as a backward area but nothing has been done in this regard. I would

[Shri Ganga Ram]

I like to urge that when for the protection of the environment and the Taj, all industries of Agra have been closed then the Government of India should give its special attention towards the industrial development of this area by declaring this area as a backward area.

While congratulating the hon. Finance Minister once again for presenting a good Budget. I would like to quote a few lines of Rangji:

"Sabko Bhojan, wasan aur Aawas Do
Naitikta ko tum apna vishwash do,
Pankh uge Hain abhi aman ke panchhi
ke
Uske urne ko aseem aakash do."

Our party, our Government, our Finance Minister and our Prime Minister are going forward to achieve this very end and I hope that they will go on marching to achieve our targets by presenting such people's Budget.

[English]

✓ SHRIMATI BASAVARAJESWARI (Bellary) : Mr. Chairman, Sir, I welcome the Budget for the year 1988-89. While welcoming the Budget, I would like to give a few suggestions.

Sir, this Budget for 1988-89 is a pro-farmer, pro-poor, pro-middle class, pro-each and every one, and pro-all sections of the society. It is a realistic budget wherein the Finance Minister has taken lot of interest to help all sections of the society. I thought that hon. Members from the Opposition would certainly give constructive suggestions as to how best we can implement these schemes, how best we can see that the benefits reach the poorest among the poor, and how best these schemes can give benefits to the needy people. But instead of doing

that, they are criticising it, saying that there is nothing in this budget. I do not think there is anything to oppose this budget. Therefore, still they can make up their mind not to criticise it. But anyhow, because they are sitting in the Opposition, they want to criticise it.

I welcome so many new schemes which have been introduced in this budget, such as JAL DHARA, KUTIR JYOTI, KISAN VIKAS PATRAS, etc. This budget mainly projects the incentives and concessions which have been extended to the farmers. I thank the hon. Finance Minister, on behalf of the farming community as a whole and also as a representative of the Bhartiya Krishak Samaj, for all the concessions which have been extended to the farmers. But still more has to be done to see that the farmers' problems are sorted out.

The farmer community as a whole is agitating throughout the country. They are asking for a remunerative price. They are saying that all their interest burden should be removed in toto. They are saying that uninterrupted power should be supplied to their pump sets at a reduced tariff, etc. So it would have been more advisable if he had considered these points also. The whole concept today is that the cost of production should be reduced because if we want to give a remunerative price to the farmer when the cost of production goes up, the consumer will definitely get affected. In order to ensure that the consumer gets the commodities at a reasonable price, we have to make up our mind to see that the cost of cultivation is reduced to the maximum possible extent. To reduce the cost of production or the cost of cultivation, we have to extend so many concessions—apart from what all we have given—such as, we have to remove the excise duty on agricultural implements, we have to reduce the excise duty on tractors and tyres. Many people can say that tractors are used only by big farmers. That is not the

concept because even the small farmer requires a tractor to proper his land for the next crop—if the farmer wants to grow two crops or three crops in a year, then he should be in a position to prepare the land for the crops. For this, even a small farmer requires a tractor to prepare the land. Such being the case, we must also see that excise duty on tyres, tractors, etc. is removed so that the cost of cultivation comes down.

Sir, you have not spent much on research for this sector. We have not given much importance for agricultural research. Sir, since we have not gone much head way in agricultural production, we could not achieve the desired targets. During the last three years, thought, our targets were to increase the production and reach a mark of 170 million tonnes, we could not produce more than 150 million tonnes. The production rate has not increased. There are so many difficulties faced by the farmers. We have not looked in their problems. They are supplied with adulterated seeds, adulterated pesticides and adulterated fertilisers. We have read in the newspapers about this. It is something shocking to know that there is no germination taking place in vast acres of land because of bad seeds supplied by the N.S.C what can farmers do? How can they increase their production? When we compare the cost of production of foodgrains with that of foreign countries, the cost of production of rice, wheat and also sugarcane is high in our country. We have not been able to increase the production also. These points should be kept in mind and we must try our best and see that our scier:'ists go ahead with their programme and see that the cost of cultivation comes down and the production of foodgrains increases. If these two things are kept in mind and research is conducted and the farmers are educated on that, I think the country can produce sufficient quantities of foodgrains which can be made available to the common people at reasonable prices.

Sir, take for example steel production in our country. The production cost is high compared to its cost in foreign countries. The energy consumption is high for the production of steel and the cost of other inputs is also high. That is why the price of steel is high. What can we do for this? We have to consider ways and means to reduce the production cost. If you don't reduce the production cost, it will be very difficult to compete with other countries in the world markets. Unless and until the cost of production is brought down, we cannot increase the production of foodgrains. Therefore, Sir, necessary research should be made in agriculture so that the farmers may be advised properly and they increase their production.

Sir, regarding the small scale industries, I think in the Budget proposals they are going to have a separate bank. It will be a subsidiary bank under I.D.B. I Sir, a number of small industries started by small people in the rural areas have now become sick. In the case of cement, many small units with a capacity of 20 TPD or 50 TPD or 100 TPD were set up. The technology which has been given to them by the Cement Corporation of India was not suitable from the point of view of cost benefit. The cost of the inputs and other raw materials is high. They cannot compete with the bigger units. It is very difficult for them to compete with the big units, because excise duty is there and other concessions and incentives are not there. Unless and until incentives and concessions are given to the small units which have been set up at the remote corners where raw material is available for the industry, they will not be able to run their small units viably.

Sir, I understand that the Government is going to withdraw the concessions and incentives given to the small industries by issuing orders. I would request the Government not to send the orders to this effect and continue the incentives and concessions. Such being the case, I think many more

[Shrimati Basavarejswari]
small industries are on the verge of becoming sick and they will create more and more unemployment in the rural areas. I hope that the Minister will look into it.

Another thing is, more and more problems are coming up after we have constructed a dam. Wherever there is a flow irrigation, most of the land due to use of excess water or due to unauthorised cultivation is becoming salinated. Acres and acres of land are being converted into salinated land which cannot be reclaimed for years together. It is a very bad case because unless and until we have a proper management towards using of water, we are losing the fertility of the land. God has given such fertile land to our country. Our lands are very much suitable to grow and kind of crop. But we are loosing on the other hand by giving excess water without having proper management of water and the lands are becoming salinated. That thing has to be looked into.

Sir, we have considered drought and flood as natural calamities. There is one more calamity which has come up very recently. I have been seeing in Raichur, I think two months back a main canal had a breach. It was breached to a maximum extent and it could not be repaired for months together. All the farmers who are in that area, i.e. more than 5 to 6 lakh acres of land have been badly affected because they could not get a drop of water. How are we going to solve this problem? This also has to be considered as a havoc and the farmers will be put into inconvenience because they could not repay the lones which they have borrowed from the banks. Unless and until they pay back the laons, they won't get the loans for the second crop. So, that has to be treated as a natural calamity and further loans should be extended to the farmers who have been affected by the breach. If the major breach is repaired within 5-10 days, I can understand, but if it is going to be repaired within

two or three months, I think it is a set back to the farmers and this has to be looked into.

Sir, during all these days we have planned here and there, but to me there is not enough of a comprehensive plan for the natural resources which are available in this country. What are the natural resources? They are water, land and then mineral wealth. Can we explore them first as a whole? As a whole we have not explored them because a lot of land is still wasted, a lot of land is there uncultivated, there is much water which we can use. We have not explored fully the flow irrigation or the lift irrigation or the ground water or the natural resources like mineral wealth, land and water should be explored first, and then we can go to others. By doing this, we will be creating a lot of employment in the rural areas. Not only that, We are proud that God has given so much wealth for us that we should try to utilise water which is available and also the mineral wealth, and wherever we cannot do anything, I think at least we can grow some plants where we can have some greenery in our fields. Such things should be given importance at the time of formulating the next plan. This we have to look into. Otherwise, I think we will not be doing justice in three natural sector.

Regarding labour management, I think I have to welcome the suggestions made by the hon. Minister because the labour have been asked to participate in the management and they have been given all facilities. That is how the industrial production has increased in spite of severe drought in our country. The industrial growth has increased because we have very good labour relations in our country. They are working very well. The labour are under the impression, and they have decided that they have to grow along with the plant. Whenever the plant grows, they will also grow. With that kind of outlook, I think the labour in our country are working very swell, there is good coopera-

tion and incentives are given like bonus, provident fund etc. all these things have been looked after by the Government and the very recent development is their participation in the management also. I hope that it will boost further production of our industrial set up.

Last but not the least, Sir, is that regarding the anti-poverty programme, much has been given for the anti-poverty programmes. I think we welcome that. But while implementing it, we have been seeing a lot of corruption that is taking place at various levels. We have to somehow try to see how best we can avoid such misgivings. I think, there should be proper monitoring wherever these programmes are going to be implemented further. When we are spending huge amount on this anti-poverty programme, we have to see how best these programmes would benefit the needy persons. Otherwise whatever we spend, at present, would be a waste. Something has to be seriously thought over and we should come with a better proposal than what we have been doing.

We have said much about the rural sanitation. I am glad that the hon. Minister has realised the importance of rural environment. The moment we enter the village, we see the place is very much polluted. I need not explain. The reasons are well-known. But after 40 years of independence, do we want to witness the same environment in the villages? I don't think it is advisable, if any foreigner comes to village and sees the village life and we would be ashamed the way women are looked after. In the Budget itself, instead of saying sanitation, we can straight away say that we are going to construct so many latrines in each villages. That would solve the problem and I think, women-folk as a whole will welcome the Budget. While replying to the debate, I think, the hon. Minister will say that we are going to construct so many latrines in the entire rural areas.

There is a great demand of steel in this country. By 2000 AD we will be requiring so much of steel. For setting up of Vijayanagar plant you have to look into at the time of 8th Plan. In the 7th Plan, we could not include it. Because there is a lot of demand, there is a lot of mineral wealth and good iron ore at Hospet area, I do request that at the time of formulation of 8th Plan, we should try to consider setting up of Vijayanagar plant at Hospet.

Last point is, regarding thermal power in Karnataka, you know the growth of industry and the production has little bit come down because of energy constraint, throughout the country. During the Eighth Plan, much emphasis should be given for starting of more and more thermal power stations. Otherwise the entire growth will come down because of energy constraint. Therefore, I request that one super thermal plant of 1,000 mega watt should be set up in Hospet, in my area so that Karnataka which is mostly dependent on the hydel power, will come out of this power crisis.

With these words, I thank you for giving me the time.

[Translation]

SHRI RAM NARAIN SINGH (Bhiwani)
Mr. Chairman, Sir, it has been said that under this General Budget presented for the financial year 1988-89 a relief has been provided to every section of the society. If we look at this Budget cursorily then it appears that it is a welcome one but when we look at it closely we find that a deficit of Rs. 4784 crore has been left which will give rise to inflation and the prices of different commodities will increase and it will directly affect the poor. The Government should have brought down this deficit. In addition to it, it is imperative to check the growing wasteful expenditure which is being incurred by the Government Departments and which is giving rise to

[Shri Ramnarain Singh] the non-plan expenditure. While not going into details, I would like to point out that last year even white-washing of M.Ps' flats was banned through a circular saying that the country had witnessed severe drought and there was no need of white-washing but on the other hand, an expenditure of Rs. 89 lakhs was incurred for decorating the flats of Ministers and the Air India, a Government Undertaking has incurred an expenditure of Rs. 50 lakhs on printing of calendars and diaries. Recently there has been a discussion regarding the Scooters India Ltd. in this House. It is being handed over to Bajaj Saheb on a consideration of Rs. 30 crores only whereas its cost works out to be Rs. 200 crores. We could render some relief to the poor by curtailing wasteful expenditure. A poor man requiring 4 loaves can only sustain his life on one loaf but cannot be satisfied. I may explain the position of farmers. Before partition of the country Punjab used to be from Rawalpindi to Gurgaon. They used to have land, 2 bullocks and agricultural instruments and their produce for 12 months. government need not had to auction them for recovery of loan. I remember when Pt. Jawahar Lal Nehru was to address a huge gathering at Rohtak during the election campaign in 1937 being held under Government of India Act of 1935, President of Rohtak Congress and a great freedom fighter Pt. Shriram Sharma asked him to criticise policies of Sir Chhotu Ram otherwise congress will lose its existence because his party and policy is proving beneficial to the farmers. Panditji mentioned in his speech that although he has asked by Pt. Shri Ram Sharma to criticise the policies of Sir Chhotu Ram but he would support his policies. Panditji further said that there was only one difference in their approach, in our opinion we want to achieve independence first and thereafter help the farmers and labourers but Sir Chhotu Ram gives preference to the welfare of poor farmers and labourers than independence. Therefore Pt.

Nehru had also approved his view. Let the law of British period be passed so that cattle, land and foodgrains of the farmers may be auctioned for the recovery of loans. Third point I would like to highlight is that the farmer who provided foodgrains to our country has only one business that is farming. Farming should be declared an industry so that farmers may also get facilities of industry. It would not only improve the condition of the farmers but over all economic condition of villages will also improve. Eighty percent population of our country lives in villages having direct link with farmers. For example scheduled caste, tribals, backward classes, craftsmen and small shopkeepers of village all are directly linked with farmers. Therefore, if condition of farmers is improved, condition of other village people would also improve. If you want improvement in the condition of villagers you will have to declare agriculture as an industry.

My further point is that all the rivers of India should be harnessed by constructing dams over them so that electricity could be produced and canals could be dug. The reason for the Punjab and Haryana being more prosperous is the supply of electricity and water from the Bhakhara dam which was built at the instance of Pt. Jawahar Lal Nehru. Their dam is being constructed in Punjab very slowly for the last ten years. If you get it completed soon, the Kashmir, Haryana and Rajasthan will be benefited and there will be no shortage of electricity. Thereafter Government need not help the farmers or agricultural labour in villages. They will become self-sufficient.

Some of our colleagues say that the farmers have become wealthy but I have never found them so though I have made frequent visits to each of the district in the Punjab & Haryana in connection with my service. I noticed there that sons of a few farmers have gone to the America or Canada and few others have acquired top posts in the military like Colonel or General. So, no

farmer has become wealthy because of farming.

Some of my friends say that there are big as well as small farmers. But now farmers have land in the tune of 2 to 18 acres only. If some one has land more than 18 acres then his case may be pending in the court of law for adjudication under Land Ceiling Act and he would lose his land as soon as court verdict is received.

My fifth point is for the employment opportunities in the rural areas. At present 20 percent population living in urban areas have acquired 80 per cent posts leaving 20 per cent posts for our 80 per cent population living in rural areas. I demand that Government should amend the constitution and reserve 80% posts for rural areas and that would include Scheduled Castes/Tribes and backward classes. This would improve their condition. The rural people who look wealthy at present are not so due to the farming but because of their fathers holding the posts of General, I.A.S. I.P.S. Otherwise common rural folk having insufficient education can't get employment. Life of a class IV servant is better than a farmer having 15 or 18 acres of land. Therefore, I would like to submit that posts should be reserved for rural people for the improvement of their lot.

My sixth point is on the remunerative price of wheat which is rupees 172 per quintal at present though Government have to pay at least rupees 250 per quintal if wheat is to be purchased from abroad. While a farmer has to sell his wheat in one month at the rate of rupees 172 per quintal the price of wheat jumps to Rs. 200, 225, 250 or 300 per quintal in the remaining eleven months of the year. Therefore, a farmer gets only rupees 172 per quintal though rate of wheat may rise upto rupees 300 per quintal in remaining eleven months. If a farmer gets Rs.300 per quintals he will become prosperous. What objection have you got in it. The rate of wheat

remains Rs. 172 per quintal for one month only and it is sold at much higher rate in the remaining months. it is sheer injustice to the farmers. it must be stopped.

My seventh point is related to the acquisition of farmer's land by D.D.A. There are 360 villages around Delhi. I am talking about the period when Delhi was having a population of 5 lakhs 50 years before but population of Delhi has now gone up to 8 millions resulting in the sky rocketing prices of land.

Government acquires the land of farmers paying them nominal rate of rupees 5.10 or 12 per yard while the farmer may get much higher price of their land viz more than Rs. 1000/- per yard if the same is sold privately. What is the harm if a farmer also becomes millionaire and sets up a factory. If other persons can establish a factory why not a farmer. The D.D.A. allots land in Delhi D.D.A. takes half of the profit if an allottee sells the land while profit should go to the farmer because D.D.A. had taken development charges initially. So, it is nothing but high handedness on the part of the Government. If you remove this injustice, only then you could assist farmers in the true sense of the term. Farmers don't get compensation if their crops are destroyed as a result of flood, drought and hailstorms. Though compensation for destruction of crops would be in billions of rupee but they don't get any thing even for ploughing, irrigation and hard labour. Therefore, farmers always face injustice and indiscrimination everywhere and in every manner.

Now the hon. Minister has proposed to decrease interest rate by 1 1/2% for farmers which is negligible. Can it be called relief? If interest rate reduced to 6 to 9 per cent from present 12 per cent only the one could term it as relief. There should be a fixed maximum limit of loan also for the farmers like industrialists to be drawn from the banks.

[Shri Ramnarain Singh]

Suppose a farmer has 5 acres of land and he needs a loan of Rs. 50,000/- he should be authorised to draw the amount of rupees 50 thousands. The farmer should be provided with pass -book in which entry should be made to this effect. Otherwise, now -a -day he has to pay 10 to 25 per cent commission of the total amount to the bank employees while taking loan. If you provide a pass-book to the farmer mentioning the maximum limit of his drawing right, he will have not to pay any commission whenever he draws the money.

15.00 hrs.

My eighth point relates to irrecoverable loans given to farmers. As Prof. Ranga has also demanded earlier, the farmers may be exempted from repayment of their loans to some extent as debt of Rs. 4720/- crores has been written off in case of industrialists. In Haryana, the Chief Minister, Shri Devilal had written-off some outstanding loans about which false propaganda was made. When the loans of big people can be waived, why not in case of farmers? I am not suggesting that outstanding loans worth Rs. 1 lakh should be waived, but those farmers who have less than Rs. 10 thousands or Rs. 20 thousand as loans, some amount of it should be waived. Alongwith it, if they have no source of income, then also their loans should be written-off. The farmers should be made to realise that Government is committed to their welfare and it will extend all assistance to them. The Government would say that the price of a bag of fertiltser has been reduced by Rs. 9. This reduction does not make difference to the farmer. On account of these reasons, I am saying that this Budget is not good for the farmers. As it is all the hon. Members of this House sympathise with the farmers. But it is regretful that inspite of this, their basic problems have not been solved. If the Government approves of these two points, the farmers will never ask for

subsidies. Whatever subsidies are given, they are pocketed by the middlemen. You should pay attention in this direction also. When farmer has to get a loan of Rs. 10 thousand he has to offer his land as security. When an industrialist owning 10 factories, wants a loan, he too has to offer a security but it affects him little because he has to mortgage only one of his factories. On the other hand, the farmer is ruined. Hence, Government should pay attention to the particular problems of the farmers. Alongwith it, it should be ensured that the entire amount of subsidies reach them. If dams are constructed on all rivers of our country, there will be no difficulty in supplying power and water to the farmers and they will not make any demands in this regard.

Secondly, I want to submit that urban property is increasing by leaps and bounds and it is necessary to put a ceiling on it. If this is not done the poor people will go poorer and the rich will go richer.

Now I would like to mention one or two problems relating to Haryana. The SYL canal diverts the water of Punjab towards Haryana. This scheme was to cost Rs. 45 crores. initially. But now it has escalated to Rs. 366 crores. The hon. Minister of Water Resources has informed me in writing that it will be completed by 31st March. Similarly if the aqueduct on Sirsa river is completed in this one year, it will benefit the farmers of Haryana by Rs. 100 crores. The Thein dam when completed, will also benefit the farmers greatly. A Government agency is installing a thermal power plant at Yamuna Nagar. In this case also, if you direct this project, to be completed at the earliest, it will do a lot of good.

Now, I want to submit a few points about consignment tax. The Chief Minister of Haryana has met you several times in this connection a several meetings have been held. All our factories at Sonapat, Bahadurgarh,

Faridabad and Gurgaon have their head offices in Delhi. Neither sales-tax nor income-tax is received from there. As a result, Haryana is losing Rs. 50 crores. Efforts are being made to pass the consignment bill for the past 8 years. But it has not been passed so far. There are several such issues, which have not been settled as yet. Apart from that U.P Kerala and Andhra Pradesh are also incurring losses on this account. The congress ruled States have no objections in this regard. Therefore, I want that it should be reviewed.

With these words, I conclude.

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K.GADHVI) : Sir, I wish to make a brief intervention not with a view to score any debating point but with a view to put some of the things on the record straight.

Sir, I have attentively listened to the speeches of opposition Members who have participated as well as Members belonging to my side. I am surprised to observe a very basic misunderstanding in the speech given by the initiator of the discussion Mr. Madhav Redd. I would touch upon those points. The main criticism he levelled and which was later on supported by some of the Members from the opposite benches was that there is no direction in the Budget.

AN. HON. MEMBER: That is true.

SHRI B.K. GADHVI: That is not for you to judge. I don't know whether they have got a picture of India before them, I don't know whether they understand the complexion of the country and I don't know whether they have got any sense of direction as to what should be called a direction.

If you look to the entire country, then we all claim from this side as well as from that side that this country belongs to the farmers, that this country belongs to the rural population and that in the rural areas the need for giving help is much more imperative and much more needed. We also talk about the deprived, the under-privileged and the poor tribals, etc. If, in the Budget it has been endeavoured that let there be illumination in the small huts of Adivasi tribals, is it not a direction? If, in the Budget it has been endeavoured that let there be pumpsets, let the Harijans and the people belonging to scheduled caste and scheduled tribe have an opportunity to get more financial assistance and if there is an endeavour in the Budget that besides the existing financial agencies for house building purpose let the Land Development Bank also play its role which covers the whole country, is it not a direction? If, in the Budget, despite all prices going up, there is an effort to reduce the prices of fertilisers, is it not a direction? If in the Budget there is a direction that essential commodities should reach to the needy men, the previous system should be strengthened and the blackmarketing should be diminished, is it not a direction? (Interruptions). I am not on a debating point, I am not yielding.

That is the very reason why I say that they don't understand as to what this Budget aims at because they have got no proper understanding of the people of this country. They don't know what is the need of the people and what are the thrust areas where the Budget should direct itself.

This Budget has been directed towards the thrust areas, towards amelioration of the conditions of those people which is much more imperative. And it is being done for that purpose.

You look to the outlays. We all want this tempo of development in our country. We

[Shri B.K. Gadhvi]

have got to accelerate the tempo of development. What is the outlay for that? It is Rs. 28715 crores. Would it not accelerate the tempo of development in this country? ...*(Interruptions)*... In the area of development, particularly in the basic energy inputs, look at the figures. Our coal and lignite production up by 11% than the corresponding period of the last year; our electricity generation up by 7.6 % our production of saleable steel 5.9% our cement production up by 8.1%.

Our earnings on railway traffic are up by 5.4 per cent and our industrial production has registered a growth of 10.2 per cent despite the pressure of severe drought on the economy of the country. Many hon. Members mentioned that agriculture growth and production has become a little stagnant. This budget provides to accelerate the growth in agricultural production and agriculture growth. Therefore, there is 40 per cent more outlay this year in this sector. So to say and that too not by people who do not understand economic; but by person who has got ability and understanding of economics in a better way - Mr. C Madhav Reddi - that this budget is directionless is totally unfounded and there is no basis for making such a criticism.

Shri Madhav Reddi and other hon. Members also mentioned about the administered prices. I think they do not understand whether the administered price and its rise is a revenue measure or not. In fact, it is not. Administered prices sometimes are raised with a view to contain the losses in the production of that particular commodity *(Interruptions)*

So far as administered prices are concerned let me give you one illustration and that is about petrol. Do you know when we hiked the price of petrol then on the other hand on the same petroleum product what subsidy we are giving! You were crying also

about subsidies that the subsidies should come down but to whom the subsidy goes on kerosene? For one litre of kerosene the subsidy is Rs 1.8 paise. On a LPG gas cylinder the subsidy per cylinder is Rs. 43.89 paise. On these two items alone the subsidy comes to Rs. 1015 crores. By whom kerosene is consumed? It is consumed by the ordinary and the common man.

(Interruptions)

If you do not understand I cannot help you. I cannot open a school here. I was also surprised to listen that when we gave some excise concessions then they said these concessions ought not to have been given because the share of the States would come down to that extent. The revenue which would be devolvable to the States would go down. Concessions in excise were not given by this motive. If you look to the whole area of the commodities where the concessions have been given then you will find that they are given on the commodities which are mostly used by the middle class and common people.

Shri Madhav Reddi also made one more mistake. That was about our having got 1.28 per cent surcharge on basic excise. He said that this will not go to the States. Let me make it clear that by the imposition of excise, we are going to get about Rs. 902 crores. This excise would be shared by the States.

SHRI SAIFUDDIN CHOWDHARY (Katwa): Surcharge is not shared by the States.

SHRI B.K.GADHVI: The concession, which we have given in excise and the consequent loss thereto, would also be shared by the States.

Another point he raised was that the States would not be getting their share from

the Small Savings Certificates, Indira Vikas Patras and the Kisan Vikas Patras. Let me make it clear that even on Indira Vikas Patras, Kisan Vikas Patras and on Small Savings the States are going to get their share.

SHRI BASUDEB ACHARIA (Bankura): How much?

SHRI B.K.GADHVI: As per the Finance Commission's recommendation—some 75 per cent. You are asking me, 'How much' You don't understand that very simple thing. As they used to get in the Small Savings, in the same pattern, they will be getting. But they fail to understand this. What I have to say is that the concession which we gave in excise amounts to Rs. 510 crores. The special excise duty, which we are going to collect, would be Rs. 749 crores. Thus, the additional income devolvable to the States on this front would be Rs. 122 crores more. But it is better that they studied the whole thing before leveling any criticism.

Other points would be dealt with in the final reply. But I do share the concern about the deficit, about the growing expenditure—what you term as non-plan expenditure—and also about the revenue receipts and revenue expenditure. So far as revenue receipts and revenue expenditure are concerned, I do feel that this has started since 1979-80. A deficit has emerged in the revenue account of the Government. This is certainly a cause for concern. But the revenue receipts have grown satisfactorily. I don't wish to say that they have not grown. But the expenditure has outpaced. That has to be admitted.

Now let us examine what are the areas. You go in for development. You create an asset under the Plan. Are you not going to maintain it? You create a school in the village. Should you not do it? You create a hospital. Should you not run it? Air defence—should you not have defence to meet any

contingency and a threat on our borders? Therefore, at this place. I would like to say that it is a misconception to say that all non-developmental expenditure is bad. In the area of services, in the area of maintenance, You have got no option. You have to do it. In the area of subsidies, I have already spoken earlier about the subsidies on food, fertilisers, kerosene and LPG. Can you afford not to give them to the farmers? What is the contribution of the farmers? We had century's severest drought and not a single man died of starvation. Have you seen before two years, when there was a drought around the ahara countries where millions of people died for want of food? Despite this, people say that the Indian agriculture, Indian economy depend on the rain. Certainly our economy is very much predominantly depending upon the rain but have you marked the feature that this time the industrial growth is more than 10 per cent? You go and examine the figures in the past where it was a minus of industrial front. Why so? Because this is the first year where we have got a conspicuous result to witness that the old proverb saying that the Indian economy is a gamble in the rain, has not assumed that much importance as I mentioned, as you used to assume in the past. Therefore, although 40 per cent of our industry has got a great relevance in bearing the agricultural production, our 60 per cent of the industries in the newly developed areas, in the modern area have come up where they can withstand rigorous drought and even the vagaries of weather and that is why this industrial growth has come up. It should be a matter of pride for all us. It is not a matter of any party and that is the resilience of our economy.

We are equally concerned in the area of deficit. It is not that we are not concerned but you show a single developing country with our democratic set-up, with a federal structure like ours, with the view to meet so many obligations that they could do away with the deficit budget. None. Because the more you

[Shri B.K. Ga dhvi]

develop, the more you have to spend. If you cannot touch the resources, if you cannot augment your resources and there is a limit in augmenting the resources because here, unfortunately, today what I find and also yesterday is that the excise concessions are criticised. The farmers concessions are criticised. How are we going to meet? I invite all the Opposition Members to give me suggestions as to how we can control expenditure, which are the areas where we can put our economy. Some people suggest here and there as 20 crores, 30 crores, 50 crores and so on. That is not going to make any dent. What are the areas and what the priorities? Let us sit together and examine the priorities and you tell us that these are the priorities which should be taken up first. Can we give up defence preparedness? Can we give up education of our country? Can we let down the industrial sector and our farmers sector? Can we let down the research and development and the space research, our own place in the internal areas of research and development in Antarctica? Can we let these down? Certainly not. Therefore, Mr. Chairman Sir, what I wish to point out is that this Budget is a great exercise and particularly, when the economy was under serious strain and is under serious strain and it is the best exercise that has been done. If you want to develop an industry in this country, the people should have the purchasing power also. Majority of the people belong to the farming sector. There may be farmers and there may be farm labourers. If they do not have the purchasing power, then there could not be adequate indigenous market for the industry and then there cannot be development and growth of the Industry. The answer in the economic area lies in the growth. What we need today is not the peripheral criticism but concrete suggestions as to how we can achieve growth in all the sectors. The answer is the growth, but unfortunately when that is being endeavoured, you are putting fetters and chains on the

march of development; you are putting the barricades and blockades on the road of development. I know you have not to share the responsibility, you are simply to criticise. People have entrusted us with the responsibility of running this nation. You can afford to do anything, but we cannot afford to do like that. What you did yesterday we can never afford to do it.

We have seen some of the Janata Party members stated that why we talk of 1979-80 only, why don't we talk of 1977-78 and 1978-79. I would ask them only, without taking much of your time, Mr. Chairman, to examine what they got as a legacy after 1976-77. What was the foreign exchange reserve and what was the foodgrain reserve? At that time it has been mustered by Congress Government and you squandered that away like a prodigal son. You brought down the price of sugar to Rs. 2 per kg and the farmers had to burn away their fields of sugarcane. Do not take credit for all these things. With a view to mop up the resources, you resorted to gold auction, we are not going to resort to that, as you resorted.

Sir, in the limited area of expenditure, what I wish to say is that we have tried to contain the expenditure and we are certainly confident that as we proved successful last year, deficit was contained, inflation was contained, this year also we are going to contain the deficit. There should not be any alarm on that account, any misconception on that account.

I hope that I have cleared some of the points which the hon. Member, Shri Madhav Reddy, who is present here, had raised. Many of his pointer were well mis-conceived and I think now they would be understood in the proper perspective. With these words, I thank you, Mr. Chairman, for permitting me to intervene in this debate.

[*Translation*]

PROF. NIRMALA KUMARI SHAKTAWAT (Chittorgarh) : Mr. Chairman, Sir, the hon. Minister has presented the 41st Budget on the occasion of the 40th anniversary of our Independence. Not only myself, but all the sections of our society welcome this Budget.

The Budget is the reflection of the economy of a State. The economic situation of a country is reflected in it. The people of our country are viewing this Budget with a pleasant surprise. In spite of giving such a large number of concessions, it is a balanced Budget. It appears as if it has been prepared after much deliberations. It is a yeoman's Budget and is village oriented. The taxes have been levied, luxury items which will affect the rich. The common man, the ordinary farmer, worker and the scheduled castes and scheduled tribes will benefit by this budget.

Sir, I want to submit that the concessions announced in the budget should actually reach the villages. It should not happen that the businessman and the black marketeers not allow these benefits to reach the rural areas. It is essential to consider the situation rationally.

I also welcome the concessions given to the housewives in this Budget. The items which she is concerned with have either been made free of excise-duty or it has been reduced. It includes stainless steel utensils, cooking materials, soaps etc. and by which you have earned the blessings of all married women. It will not make much difference to your revenue but by exempting the vermilion from excise-duty you have definitely received their blessings. Alongwith it, you have made the children happy as well by exempting toys, copy-books and other materials used for reading and writing from excise duty. Similarly, you have granted concessions in respect of medicines. I wel-

come all these measures.

The Opposition parties are opposing the Budget just for the sake of opposition because in their hearts, they also welcome this budget. The main point of their criticism is the deficit of Rs. 7.1/2 crores in the Budget, which they think will aggravate inflation. But it is their misconception, the deficit financing will not enhance inflation and in order to ensure that we will have to generate additional resources. The developing countries always have deficit financing but additional resources are mobilised to make that up.

Another criticism is in regard to the hike in postal tariff and in railway fares. I want to submit that today, postal facilities are available in every village and the increase is not much keeping in view of the quantum of facilities provided and moreover, it will ensure a better further. We must all be ready to sacrifice this much.

Mr. Chairman, Sir, 80 percent of our population is residing in 5 lakh and 75 thousand villages in our country and their main occupation is agriculture. I welcome the concession given to this sector. Concessions have been granted in respect of fertiliser, pesticides and three new experiments have been done. I welcome these three projects the names of which are 'Gramin Awas, Kutir Jyoti' and Jal Dhara. In this connection, one question which comes in my mind is that how will the Kutir Jyoti project be materialised in those villages where power is in short supply or same is not available at all. 40 per cent of our villages fall under this category. I hail from Rajasthan and the Electricity Board in this State is running at a loss. Electricity is available only for 2 or 3 hours. The famine hit people are not able to draw water from the wells due to the non-availability of power and under such circumstances, I am afraid that our project may remain on paper only. I order to meet such an eventuality, we shall chalk out a plan at the outset. 3 to 4 per cent of our power requirements are being met by the Atomic Power Plants. When the raw materials required for atomic power like thorium, uranium etc. are available here then why is

[Prof. Nirmala Kumari Shaktawat]
the Government not considering the installation of additional atomic plants.

I would also like to submit that atomic plants similar to one set up at Kalpakkam with indigenous technique should be set up in other parts of the country. It takes 8-9 years in setting up an atomic plant. The Government should make endeavours to set up more and more thermal power plants, particularly in the backward areas like Rajasthan so that the schemes like 'Kutir Jyoti' and 'Jal Dhara' could be implemented. There has been a 40 per cent increase in the allocation for power and irrigation. It is, therefore, necessary that special attention should be paid towards small irrigation schemes and anicut schemes in irrigation. They should be implemented under N.R.E.P. and I.R.D.P.

Since the hon. Minister belongs to hill areas, he has given some facilities to those areas. The desert should also be treated at par with the hill areas. These areas can develop like the Arab countries once petroleum is found in that region, for which exploratory work has already been taken up by the Government. The Government should conduct more and more explorations for finding petrol in the desert areas of Rajasthan.

Drinking water is the most acute problem in Rajasthan. Even after 40 years of independence there are certain villages in Rajasthan where drinking water is not available. Hon. Prime Minister was kind enough to sanction Rs. 25 crores for this purpose last year. But this amount was as good as a drop in the ocean. It will serve little purpose for the areas having no water I, therefore, request him to make additional provisions for this purpose and supply high pressure rigs to Rajasthan free of cost. High Pressure rigs are most essential in Rajasthan without which water cannot be pumped out and people will continue to remain thirsty. Pres-

ently 36,252 villages comprising a population 3.7 crores and about 3.6 crores cattle have been affected by famine. The Government proposes to provide Rs. 137 crores for the year 1988-89. But I request that a provision of 216 crores should be made so that people affected by famine could be saved. Last year, the Government had sanctioned 5 lakh metric tonnes of wheat free of cost for Rajasthan with a view to save the people who have been suffering from drought for last 4 consecutive years. But this time no wheat has been supplied to Rajasthan. As a result of this, people do not get nutritious food. They have been suffering from night blindness for want of vitamin 'A' and cannot see during night. If they are not given nutritious food, more and more people will turn blind. As such arrangements should be made to supply foodgrains to the people of Rajasthan so that they may get nutritious food. Drought and floods have become a sort of permanent feature. The problem has been aggravating in spite of incessant remedial measures. I would like to request the Government to find out a permanent solution to this problem. We must identify the main reason behind the drought. The main reason of this problem is that the forests are being denuded indiscriminately. It is estimated that in our country forests cover 15 per cent of the land surface. But according to an astrologer only 10 per cent land has been covered by forests and in Rajasthan it is only 2 per cent.

We can make progress only when these forests are protected. Today there are 1554 dams in our country. Though we have been benefited by major dams, vast forest areas have been submerged and large areas of land have gone waste. It has reduced production. I, therefore, reiterate that the Government should look into the small irrigation schemes like the Gambhari Canal, Bari Yojana and the Devbas Yojna lying pending with them. Priority should be accorded to irrigation under draught relief work. The

construction work on Indira Gandhi canal has been lingering on for the last so many years for want of adequate funds. this canal will prove to be the Ganga of the desert areas in Rajasthan and will be useful like the river Ganga. I request that more funds may be provided so that the construction work on this project may be completed early.

We find that our industrial activities have been confined to big cities only and it is the main reason of rising un-employment in the country. I would like to suggest that industries should be set up on a decentralised basis in the backward districts by declaring them as industrially backward districts.

15.41 hrs.

[SHRI VAKKOM PURUSHOTHAMAN *in the Chair*]

Rajasthan is very rich in mineral resources. But no attention has ever been paid towards it. There are large deposits of limestone in the Chittorgarh region. But cement industry has not made the required progress. This industry should be encouraged. Zinc is also available in plenty in Rajasthan. The Government had given its approval for setting up Zinc Smelter Plant at Agucha in Chittorgarh district, but no work has yet been started on this scheme. I urge upon the hon. Minister to expedite this work. Besides, huge quantity of rock phosphate is available in Rajasthan. It is useful for production of fertiliser. But no attention has been paid towards it. Chittorgarh can be best place for setting up a rock phosphate based plant. It is because this place is being connected by a broad gauge line and surface water is also available there.

Financing through borrowing has been weakening our economy. 17 per cent of our total revenue is being spent on payment of interest. Presently our country owes loans to

the extent of Rs. 1,05,267 crores which includes foreign loans comprising 22 per cent. According to World Bank Report India occupies 4th position among 96 debtor countries. India comes after Brazil, Mexico, Korea in this group. Our non-plan expenditure goes on increasing due to rise in these loans. We invest 74 per cent of our revenue on non-productive items which include defence, payment of interest and giving subsidy on food and fertiliser. If this situation continues to prevail, we will have to pay as much amount towards interest as the amount of investment in 1992-93. As has been said by the Planning Commission, the Government met half of its expenses out of its own resources during Fifth Five Year Plan, but all the investments during the Seventh Plan Period had to be made by the Government through loans. If this situation continues, our economy will deteriorate further. It should, therefore, be our effort to reduce the loans to the minimum. We should increase our export. Besides, most of our Public Undertakings and private factories are running at loss. All the private companies have become sick. If the cause of the loss is due to the mal-functioning of the management, the managing board should be changed immediately in order to solve the problem of deficit financing. I am of the view that due to the parallel economy being run by the black money our economy is deteriorating. The Government have made a lot of efforts to dig out black money and issued a number of Vikas Patras. But we have to concentrate on the root causes of black money and find out as to how it is being created. Our economy cannot improve until and unless the parallel economy of the black money is curbed. I do not want to go into the statistical details. I would only like to submit that the Government should control black money in the first instance and then control inflation. If it fails to effect control over inflation, a situation similar to one once prevailed in Israel and West Germany may arise. Therefore action has to be taken keeping all

[Prof. Nirmala Kumari Shaktawat] these aspects in view.

The population of our country is 15 per cent of the total World population and our income is 1.5 per cent of the world income. We will have to prepare our schemes and control our economy. Keeping in view the international figures and the map of the entire world. The Government has taken some welcome steps in this direction. It will definitely improve our economy.

With these words, I support the Budget proposals presented in the House.

SHRI UMAKANTA MISHRA (Mirzapur): Mr. Chairman, Sir, I am citing a very old principle on political economics which is applicable even to-day. While narrating about the ideal 'Suryavansh' in his epic 'the Raghuvansh', the great poet Kalidasa wrote:

Prajanam Ev Bhriyatartham tabhyo
balimgrihit,
Sahasraguna mutshrashtum adavse hi
rasm ravi.

It means that the king levies taxes on his subjects for their progress, welfare and prosperity. Just as the sun takes away water from the earth and supplies thousand times of the same to the earth, similarly the king or the Government invests ten times of the taxes that are collected from the people on their welfare. This principle is equally important even to-day. Our Government collects revenue in the form of taxes and invests several times more on the welfare work. Shri Gadhavi has drawn a true picture of this situation in this House. We can find that the Government gives crores of rupees in the form of subsidy on a number of food items, L.P.G., kerosene etc. and it is their duty to see the welfare of the people.

It is a welcome Budget. When the then Finance Minister, Shri Viewanath Pratap

Singh presented the Budget for the year 1985-86 capitalists like Shri Nani Palkiwala and capitalist organisations like the FICCI had praised him a lot, but we had criticised him in this very House.

[*Translation*]

We believed that if any Budget is acclaimed by persons like Nani Palkhiwala of Rightist Capitalist ideology then it cannot be a budget for the poor people of the country. But present Budget on the other hand has been criticised by the same Nani Palkhiwala in his statement published in the Indian Post of 9th March, 1988. After going through this magazine I was very happy because I feel that if a Budget is criticised by the people having faith in capitalist ideology then it means that Budget is definitely good for the common man. But current Budget is being widely welcomed by people from all walks of life. On my visit to my constituency farmers told me that price of fertiliser has already been reduced by Rs. 8.80 per bag. Farmers had all praise for the concessions announced in the Budget which were first hinted by the Hon. Prime Minister Shri Rajiv Gandhi in the rally of 15 lakh farmers at Lucknow last month. The Hon. Prime Minister stated at the rally that Government will help small, middle and farmers of backward regions. Reduction in price of fertilisers by Rs. 8.80 per bag is not a small thing.

[*English*]

MR. CHAIRMAN: I can give you ten minutes. You cover your points within ten minutes.

SHRI UMAKANT MISHRA: You are a very good Chairman. Please give me 15 minutes.

[*Translation*]

The Budget is being welcomed in every

nook and corner. It has been established that Government of Shri Rajiv Gandhi is trying its best to help the workers and common man. Now it is difficult to incite farmers against Government. I welcome and praise the current Budget which is formulated to help farmers, poor and common man.

A few concessions have been given to rural folk but large allocation has been made for the rural sector in the Budget. Since 1952-53 rates of direct taxes have been continuously revised upward but the provision for rural sector has been diminishing in the Budget. It is a welcome sign that more and more funds are being allocated for rural areas in the Budget for the last two years.

Incentives are being provided to the agricultural sector. Prices of fertiliser have been reduced. this is a welcome step. Jaldhara Programme is also a good programme. Irrigation facilities will be provided to small farmers under this programme. I request the Government to start 'Haldhara' or 'Haldhar' programme in addition to Jaldhara Programme. It will enable such farmers to hire tractors who are not in a position to buy Tractors of their own, This will prove to be a boon for small farmers. I hope in the next Budget Government will start 'Haldhara' or 'Haldhar' or 'Dharti Tor' or 'Dharti Pakar' Programme to enable farmers to take Tractors on hire.

'Kutir Jyoti' is a nice programme to help nearly five lakh families in raising their level of living in rural areas as they will get light. Therefore I request the Government to also start 'Gramin Jyoti' Programme to take electricity to villages of India. This will also help unemployed in setting up cottage industries and solve their problem of unemployment.

Target of digging five lakh wells has been set under National Rural Employment Programme and Rural landless Employment Guarantee Programme. I welcome this

and also request the Government to provide machines for rock breaking in the hilly areas. Five lakh wells cannot be dug in hilly areas unless such machines are provided by the Government. Only when these machines are made available the success of the programme can be ensured and people will be able to derive full benefits out of it.

Government has formulated a scheme of Rs. 100 crore to provide credit to people for construction of houses. This is also welcome. But Government is also requested to take note of the repaying capacity of people of the rural areas because they are very poor. Therefore Government is requested to widen the scope of Indira Avas Scheme. Under Indira Avas Yojna, Government is requested to provide all possible financial assistance to the poor living in rural areas for construction of houses. Even if small houses, consisting of a room and a veranda are provided then also poor people will be benefited. But all this cannot be constructed with in six thousand rupees. I request the Government to raise the amount of assistance from Rs. 6,000 to Rs. 8,000 — 10,000 under Indira Avas Yojna if they really want to help the poor. Then only they will be able to construct houses of their own. We have no reservations about it.

Oppositions Member have alleged that the budget would encourage inflation and prices would increase further. No developed country of the world — be it Japan, West Germany or France could check inflation in time. Our country is vast and our economy is at developing stage. Development is taking place rapidly. So there is bound to be some price rise and inflation. But, however, Government should ensure that inflation and price rise remain under check. The reasons for inflation and price rise are increase in non-plan expenditure. Besides this, corruption, hoarding and smuggling are also responsible for generation of black money which should be reduced to the minimum. In

[Sh. Umakant Mishra]

addition to this, stern measures need be taken to control black money which has taken the shape of parallel economy. I hope Government will take concrete steps to control it.

According to the report of Reserve Bank, as Nirmalaji has pointed out, there are problems in securing and repayment of loans. The Government is taking measures in this respect. I would suggest that Government should push up exports and curtail imports. Government should reduce its non-plan expenditure and resort to economy in administration expenditure also.

Both Hon. Prime Minister and the hon. Minister of Finance have stressed the need take such measures. I want to draw the attention of the Government towards a serious problem. Number of educated unemployed is rising at an alarming rate. Government is requested to formulate schemes to reduce unemployment among educated people of various disciplines viz I.T.I. Engineer, Diploma holders, Doctors, B.Ed., B.T., High school degree holders and B.As. Chandrakarji has also stressed the need to check unemployment which is taking serious turn. Government is requested to formulate schemes to create jobs for these educated unemployed.

In backward regions industrialisation is necessary together with development of agriculture in rural areas for improving the living standards through generation of jobs in rural areas. Government is requested to encourage industrialisation in backward regions of Eastern Uttar Pradesh, Bihar and Madhya Pradesh — like Jabalpur, Reeva and Santa where there are no industries. Shivraman Committee has stressed the need to declare big districts, development blocks and sub-divisions as backward for promoting industrialisation. Mirzapur is a very big district. Coal and electricity are

available in abundance in 300 kilometre southern region of the district. So industries can easily be set up there. The people are deserting Mirzapur and the surrounding areas. In view of this, industries should be set up around Mirzapur district. Similarly industries should also be set up around Bhadoi. On the same lines large scale, medium scale and small scale industries should be set up around backward regions. Industrialisation is necessary together with development of agriculture for solving the problems of inflation, unemployment and poverty.

With these words, I welcome and support the Budget.

[English]

16.00 hrs.

SHRI A. CHARLES (Trivandrum): Sir, I stand to support the budget for the year 1988-89. This budget has to be viewed from the background of the great natural calamities such as drought and floods that this country had to face during the last year. The nation was facing one of the unprecedented droughts and in spite of that the growth rate in all the sectors have been comparatively encouraging and the people in the rural areas did not bear the brunt of the calamity. This was achieved with better economic performance and management and with a careful storing of sufficient buffer stocks of the foodgrains for distribution all over the country through the Public Distribution system.

Sir, this is one of the most popular budgets presented by any Government during the last 40 years since independence benefiting all sections of the people of this country. Every segment of the community will be benefited but the re-generation of rural economy and providing employment opportunity to the weaker sections is the

main thrust of this budget. Farmers who have been affected by the unprecedented drought and flood will be relieved, to a large extent by the loans they can get at a lower rate of interest and the pumpsets on loans at nominal cost. There is a reduction of 7 1/2% of cost in the fertilisers which will lower the cost of agriculture production and will also go a long way in stepping up agricultural production. Several lakhs of homeless can now aspire to have a home of their home by availing the loan facility at a very nominal rate of interest. Every attempt has been made in this budget to arrest the spiralling price of essential commodities which will certainly relieve the burden of the poor housewives.

Sir, the Finance Minister has also given a categorical assurance that all steps will be taken to ensure that the benefits due to reduction in the prices of essential articles including the textiles, life-saving medicines etc will be passed on to the real consumer. This is a very positive step and nobody will dispute that the concessions announced make good sense and it shows the intelligent way of stepping up of production and helping the small farmers who have been afflicted by several years of drought and floods. This goes counter to the negative approach of the some of the non-Congress (I) Governments such as Haryana where several crores of rupees were written off for petty political interest without achieving any positive results.

Sir, some of the friends on the Opposition have criticised this budget as anti-people, anti-working class and that this will benefit only the rich farmers. I would only appeal to those members to go through the budget proposals, study them carefully and understand the number of measures proposed for the re-orientation of rural economy and the measures to help farmers affected on account of drought, especially the Co-operative Credit system, programme for

electrification and single point light system, programme called 'Jaldhara', setting up of National Housing Bank, housing finance, measures for promotion of employment opportunities in the decentralised sector and the like.

Sir, when the Government is striving hard to save our rural people from the onslaught of the natural calamities and to give them hope of a better future, what is the role of the Opposition? Has not the Opposition in this country to play a constructive role? Are the 'bandhs' and disruption of normal life and destruction of the parliamentary system in the country the only programmes in their manifesto? Are they not answerable to the people at large? Sir, what has been happening in this House during the last one year may not have any parallel in the parliamentary system of Government anywhere in the world. I would request the Government to look into the conduct of the Opposition in the House for the last one year so that you will know how much of the valuable time of this House was wasted and the resulting loss of money caused to the Nation. Sir, there is a saying that "when Rome was burning, Nero was fiddling". That is what is happening in some parts of our country with the blessings of the non-Congress-I Governments in those States and I must say that it does not give credit to anybody, not to speak of parliamentary democracy. In Kerala, they have damaged the Central Government establishments and the public property. The loyal workers who tried to attend the office were prevented and they stoned the buses. I would appeal to the Government to arrange for an assessment of the damage caused to the life and property all over the country as a result of 'bandh'. They have no concern about the country, they have no concern about the poor people and they have no concern about the life and aspirations of the poor people.

Sir, in this connection, I may add that I am not here to say that the whole economic

[Sh. A. Charles]

picture of this country is rosy, and that the present budget has solved all the problems for eternity. There are lot of problems. But I would remind the hon. Members of this House the great saying of Gandhiji. Gandhiji said: "I want to wipe out every tear from every eye". Our task is far ahead and we have to go miles and miles and we have to wipe the tears of every common man, every ordinary man in the rural area and every man who is striving hard to lift himself up above the poverty line.

While supporting the Budget I would draw the attention of the hon. Minister to one or two aspects which are not being fully, in my opinion, covered by the Budget. One is the handloom sector. In the Budget speech it is said that the handloom sector provides employment to about 10 million weavers and others. This important sector has been affected by high prices of cotton and other yarns. There is a proposal to increase the subsidy of Janata cloth from Rs. 2 per square metre to Rs. 2.75 per square metre. This is welcome, but what is happening in this sector is, whatever concession or whatever assistance is given, it never goes to the real worker. This is being eaten away by the middlemen. In Kerala there are thousands of societies. They have bogus names as workers in their lists, and whatever is given to the workers as rebate or concession is taken away by the middlemen. So, I would urge upon the Government for a proper verification of the looms and to find out the real workers. Whatever assistance is given should be monitored and whatever assistance is given should reach the ordinary worker.

Another area is the fishing sector. The traditional fisheries sector is an allied sector of agriculture. About 10 million people are engaged in this sector. This is one of the weakest sections of this country, who often had to fight against the vagaries of nature and the unusual natural calamities.

There are a lot of problem affecting the traditional fishermen of this country. In an Unstarred Question No. 2862 tabled by me, I asked whether the Government are aware that Out Board Motor (O.B.M.) above 10 H.P. is required by traditional fishermen. Unfortunately the answer given by the Commerce Ministry is: "Government have no definite information about use of Out Board Motors above 10 H.P. by traditional fishermen." The Government should know that thousands of such Out Board Motors are being used by the fishermen in fishing all over the country. In answer to another Supplementary, the Minister stated: "Out Board Motors above 10 H.P. are not being manufactured in the country in the organised sector." This shows that whatever requirement is there, it has to be met by the import of O.B.M., but the licence for import is given to large export houses. As a result, the real, poor traditional fisherman has to pay two times or sometimes three times of the total cost of these engines to the intermediaries. This is a very bad position and while answering, it is said that "a few schemes for manufacture of Out Board Motors above 10 H.P. are at different stages of implementation." So, I would plead that the real traditional fishermen may be allowed the right to import such Out Board Motors because that is the only way to help them from their present crisis.

I also have a few suggestions. I request the Minister to consider them favourably because the budget is totally silent about the plight of fishermen. The following are my suggestions:-

- (1) 100% exemption of import duty for diesel driven Outboard Motor/Inboard Motor (OBM/IBM) required for traditional fisheries sector should be given.
- (2) Grant of 67% subsidy on the Import Value of Diesel driven

Outboard Motor/Inboard Motor in preference to the existing rate of 50% subsidy to all times of OBM/IBM should be given.

- (3) Inclusion of items "Outboard Motor above 10 HP" and Inboard Motor under OGL in Appendix — 6 of Import Export Policy and their import canalised through State Government agencies for Fisheries Developments for distribution to traditional fishermen.
- (4) 100% exemption of excise duty allowed on Nylon Filament Yarn for manufacture/repair of fishing nets.

If these requirements are fulfilled, I hope the poor traditional fishermen who are facing a lot of problems can strive hard and face the challenges of the organised sector in fishing. There are also some of the problems like shortage of kerosine for the outward engine. I hope, these problems will be taken care of.

With these words, I once again support the Budget and I hope this will regenerate the economy of this country and give a better future for the downtrodden millions of this country.

MR. CHAIRMAN: Shri B.B. Ramaiah. The entire time allotted to your Party has been taken by your friend. But still I give you 5 minutes. Please be very brief.

SHRI B.B. RAMAIAH (Eluru): Thank you, Mr. Chairman for giving me time to give expression of my thought on the Budget. Almost all the sessions look like Budget Session because for every session, they are coming with supplementary demands, even up to Rs. 5,000 crores. For the last three years, the deficit financing is increasing year by year and it has crossed over Rs. 8000

crores. Second thing is, before the Budget, you have already increased the prices of steel, coal and petrol and postal, telegraph and telephone charges and railway fares.

The main point on which I want to stress is, in the public sector, we are investing more than Rs. 80,000 crores but the return on that is not up to the mark. That is why, our financial position is getting day by day deteriorated. Look at the Budget deficit which is more than Rs. 8120 crores. The interest on the borrowings is Rs. 14,100 crores and the salaries are going up year after year at a very fast rate, and the Defence Budget go up to Rs. 13,000 crores. We are also going for market borrowing, for Rs. 7,000 crores and external assistance is Rs. 3734 crores. Small savings come to Rs. 1150 crores, Special deposits come to Rs. 4325 crores and the provident funds are Rs. 1,000 crores. That shows our entire planning depends on the outside rather than on the actual revenues which we are getting, namely through income-tax of Rs. 3680 crores, corporation tax of Rs. 4099 crores, customs of Rs. 15,626 and the excise duty of Rs. 18,172: Out of this, you will see, it is not the direct tax that makes more for the country's revenue but it is the excise duty that makes more important. That shows the importance we have to give for the industrial development and productivity. If you give more productivity and opportunity to invest more money in the industrial aspects, probably the revenue will go up much faster in all the goods that you produce. The excise duty, sales tax and the income-tax also will increase only when you start with more production and also it would lead to employment potential increase and goods availability in the market goes up. The blackmarketing will come down, once goods goes to the market more and more. So, this is one of the important aspects which I would like to stress that the hon. Minister to take care and see that faster industrialisation should go. When countries like Korea and Taiwan with very

[Sh. B.B. Ramaiah]

little resources and manpower are able to produce so much goods and export even up to Rs. 45,000 crores, in spite of all the efforts, our entire export is not exceeding Rs. 15,000 crores. This is one of the aspects, I hope, our hon. Minister will look into and give more attention and give more fillip for the development of country's opportunities to improve and also our per capita income.

The item which has probably been completely neglected is population growth. On the family planning side, probably they have not done much. That is one thing that is diluting our entire resources and availability. Whatever we are improving it, the population explosion gives a lot of burden on it.

Second point is, on the agricultural side, you have provided Rs. 1078 crores and for irrigation and flood, only Rs. 217 crores have been provided. This is one point which I am repeatedly stressing unless you increase the investment on irrigation and floods, it is very difficult for you to increase agricultural production. Every time, drought is causing problems, floods are causing problems. This Hydel project is able to minimise the flood damage and also give drought relief. Today we are able to produce so much in agriculture, in spite of drought because we have constructed some projects. I hope we should be able to take more advantage from these things in order to safeguard and improve the country's economy and productivity in agriculture. For example, we can see in Godavari, 80% water is going to the sea. If only we are able to take up some project like Polavaram, that will improve agricultural production, not only for the State but for the whole nation.

Another item is energy. Its allocation this year is Rs. 9,196 crores. This is the basic item. Without energy and power generation, industry cannot survive. In this respect, I feel that there should be a long-term policy to

involve the private sector also but, so far we have not been able to involve the private sector sufficiently which should be done to improve industrial production.

Fundamentally, we find somehow this Budget is not attractive for capital investment. We can see right from the beginning of the Budget presentation that the stock market is reflecting on the negative side. Still today, we are watching closely, this stock market depression is going on. People have lost confidence on the shares of investment in industry. That will create problems. People will divert their investment towards gold and other things which is not good for any country and, I am sure, that this is a very important aspect that we have to look into. This is important for the real industrial development.

As regards the agricultural side, we have given some concessions to insecticides and fertilisers and also electrical motors. But still we have to do a lot more in spite of these things.

We are importing huge amount of edible oils. This industry requires lot of support from the Government.

Even today we import sugar in spite of agricultural development.

Cotton development has not been properly taken care of. Unless you give some opportunities, this will not improve.

For example, on the export side, we find Gulf countries require lot of agricultural products. They need fruits, vegetables and even flowers. There is so much you can develop and export if only you can make some facilities for transport to different parts of the world.

Unless you improve roads, warehousing facilities for various agricultural products and communications, the country's econ-

omy will not grow and cope up with industrial activities. I hope that you will do something.

In the backward areas, the amount of subsidy given earlier to industries has practically come down now for a number of States. We have to find out some method of setting up these industries in the backward areas. You may call it growth oriented centres and give them some fillip to develop more industries.

As regards paper industry, in the Budget you are giving some support for the non-conventional raw materials like the grass and straw and other things but we are continuously importing lot of pulp and paper whereas we are not starting our own Indian products which are non-conventional paper industry by giving them the non-conventional raw material, the same protection. Otherwise they will not survive. I hope you will do it as we are giving to Baggasse what you have done to the big industries, you must do for small industries. Even for development of plastic industry, you have to give lot of support.

The capital goods import for industries is still up to 85%. Unless you reduce that part of it, our project capital cost will not come down and the industrial products in this country cannot meet the local requirement, because they will be very expensive. You import goods which are not competitive with the local manufacturers. The same attitude should be adopted towards generators also because we require more power generation. We must have some higher capacity. You have to give special duty concession so that we can import these things and generate more power. Ctd by RRR. On the rural electrification also, unless you give more support, probably what you expect of it, what we are trying to do, that cannot be able to be achieved.

One more item I want to stress is about

the Direct Taxes Amendment Bill which you had introduced before this House. It came in such a hasty way that we did not have an opportunity to go through it nor discuss it. It required a lot more to be done, though you have mentioned about it in the budget. The main part of it is that you have now got a uniform accounting year. It has created difficulties for the people. You had introduced it all of a sudden. It created a lot of problems. There are so many types of organisations. The cooperative societies have different year endings and the banks have different year endings,...

MR.CHAIRMAN: Please conclude.

SHRI B.B.RAMAIHAH : Therefore, these things have to be looked into. We have to do something in this regard. There are also the Trusts. There are so many things. You have to give us time to discuss all these things, once again.

SHRI TARUN KANTI GHOSH (Barasat): Sir, I rise to support the budget, as proposed by our Finance Minister Shri N.D.Tiwari. This budget has given the right thrust i.e. the development of agriculture has been given top priority. I think, it is a right thing. At this stage, I want to tell this House, through you, Sir, that we must be thankful to our leaders like Pandit Jawaharlal Nehru and Smt. Indira Gandhi and also to our farmers, our workers, that due to their work, in spite of such a great calamity i.e. the drought that we have faced this year, it did not really take India to a much worse position because of the schemes which were already implemented. But even today, we have found out that our agriculture is so much dependent on the vagaries of the nature. We cannot stop either floods or drought. I come, particularly from a State which is visited by both floods and drought every year, I would appeal to the hon. Finance Minister, through you, Sir, to give a little more stress on these things for the Eastern India, particularly to West Ben-

[Sh. Tarun Kanti Ghosh]

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Sir, while we talk about the budget, we know the financial strains that we are always facing. On the one hand, we have to spend money for our Defence and on the other hand, we have to find out money for the developmental projects that we must have for developing our country. At this stage, I would like to bring it to the notice of course, it is known the hon. Minister of State of Revenue who is sitting here that why is it that only 2.2 million people out of the 850 million people pay taxes. Why is it so? What steps are you really taking to bring into net all those who should pay the taxes? Naturally, out of the 850 million people, only 2.2 million people are paying the taxes and this is too small a fraction for taxation purposes.

The other point that I would like to say with all my emphasis is this that India can never forge ahead with the rapidity that we want unless and until we can break this high cost economy which we are suffering from. Is it not amazing that imported sugar? Is it not amazing that Japan takes the coal and iron-ore from India all the way to Japan and they send the finished products to India again by ship?

It costs money but even then they can sell it at a cheaper price than our own indigenously produced things. Why should it be so? I want to know the reason from the hon. Minister. Why should it be that our coal cost so much? The total number of people who are employed here in our collieries are about six lakhs. You may know that only 6000 people in Australia are producing the same amount of coal that has been produced by the six lakh people of our country. Why should it be so? We must solve these basic things if we want to take India rapidly towards development. While we talk about development, we must also see that India develops as a whole. I am sorry to say one

thing. I come from Eastern India. I also know about U.P. very well because that is also my home State. So, from U.P., to the entire Eastern India, the development is far below than the rest of India. So, while we are trying to develop our country, we must develop it in such a way that all the States, all the parts of India can progress simultaneously and not one part. There are large segments of poverty, there are large segments of under-developed area in our country particularly in the Eastern India and Uttar Pradesh and maybe, in Rajasthan and also in some other parts which we have to really tackle. As a matter of fact, when we talk of Budget, the success of the Budget really depends on how much it costs the poorest man in the village and not the richest man in the city. From that point of view, we have to find out whether we are really progressing towards that end or not.

I want also to thank our present Prime Minister for the economic steps that he has initiated for the development of industry and economy of our country. I have not the slightest doubt that if the opposition and all of us really come together for the economic development of our country, our progress could be much faster than what it is today. There are two or three very important problems that are facing India today. One is the problem of unemployment. I am very lucky to be born as a son of Shri Tushir Kanti Ghosh, who was the editor of some newspaper. When I passed out from my college I could get a ready-made job. Everyday, every morning, literally, fifty, sixty, eighty or hundred boys come to me and they are not inferior to me in any way. They have the same brain, same education and everything except that they are not fortunate enough to be born in a ready-made family. They come to me only with one wish. They want to use their hand, they want to use their brain, they want to earn their own living. They do not want any help, any charity from any body. Even after forty years of freedom, this unem-

ployment is really dampening the spirit of our youth who are the future of our country. I request the Minister of State who is sitting here and who is taking down notes and through him our Finance Minister to really take some drastic steps so that we can solve this problem. It cannot be solved in one day. But we can go in the right direction in solving this unemployment problem.

The other thing which I would also like to mention is the rise in the cost of living. India is the one country where prices always go up. It never comes down. In all the other countries of the world, sometimes, prices go up and sometimes it comes down. But here, it goes up in spite of the efforts that we are doing. This really affects the poorer sections of the community, the poor man in the villages, poor peasants who live in our country. So, we have to do something about that. How to tackle that?

The other point which I would like to say here with all the emphasis is this. When there was this drought, our Prime Minister did his best to give the sufferers the relief that they needed. But I have seen what happens. Once the thick passes, we start forgetting them. But the loss that they have suffered—the peasants, the villagers—if we really want to bring them back to their own feet, we have to give a sustained assistance to them so that they can stand on their legs to become the useful peasants of our country.

We go on saying about social justice, we go on saying about fair-play to the down-trodden. Every Budget can be judged by how much we have advanced towards that end whether all our emphasis, all our steps that we are proposing are achieved and whether we are really going towards that end or not? One thing I would like to say here is that the people of India can become really very very strong country once we forget the differences in castes. Whether he is Punjabi, whether he is Bengali, whether he is Assam-

ese or whether he is South Indian, if we really become one and that can only happen if there is economic development in our country. I know that my time is short and that I cannot go on talking taking more time than what you're kindly giving me. I am giving my full support to this Budget and I would request the Finance Minister to remember the basic problems facing our country. I would also try to be a little parochial and say that for my Eastern India, my Uttar Pradesh, he should have a little more kindness.

I again support fully the Budget proposed by our Finance Minister.

[*Translation*]

SHRI K.N.PRADHAN (Bhopal): Mr. Chairman, Sir, I support the Budget. There is saying that 'magic manifests itself.' The budget presented this year has cast a spell on the whole country and more especially opposition parties. I think that it has been prepared with a view to face the challenging drought situation. Our target was to stabilise the prices and ensure increase in industrial and agricultural production. Similarly, we were to strengthen the rural economy too. There has been drought for three incessant years and the present one quite unprecedented and the major part of the remaining country has been in the grip of floods. In spite of all these hurdles and troubles, the way in which the Government has controlled the situation, has undoubtedly created a new history. We do not find words for its appreciation. But it is sad to know that the action worthy of appreciation has not moved our opposition. This affects their own image adversely. They are, perhaps, determined not to behave in responsible manner at all. Just as Arjun did not see anything except the eye of the fish, similarly the aim of our opposition is to grab power. Their only purpose is to spoil the show. They do not bother about the achievements of the Congress Government. You must have seen the way

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 they behaved yesterday. They tried to see the extent of damage that could be done by sabotage etc. consequent upon organising Bharat Bandh. It is said that wisdom is not sold or bought from the market. But Indian Express, that favours Shri.V.P.Singh help and advises the opposition on various issues. Pro-American lobby is working behind the scene. In spite of all this, the fantastic budget presented by Shri Tewari has silenced them. The budget being flawless, they have become restless and feeling embarrassment. It is correct that our Finance Minister has shown special favour to the farmers, poor people and the labourers in this budget. But I want to draw attention of the Government towards the fact that the implementation of all the policies and schemes depends upon our officials. But it appears that our Finance Minister has not given due importance to them. In the past, people used to talk about a person who used to pay income tax. In those days every one used to think that here is a person who could afford to pay income tax from his savings after enjoying all the necessities, amenities and luxuries of life. But the time has changed. Now even a peon has to pay income tax irrespective of the fact whether his necessities are met or not. The break up of the revenue received as a result of income tax is 65 per cent corporate tax and 30-35 per cent tax for while huge amount is spent and which generates corruption. The Finance Minister is requested to look into this aspect also. Only an employee pays the income tax with honesty. Necessary deductions are made from his fixed pay. He has not been able to get any benefit out of the concession allowed by you. I want to assert that if you pay a little consideration to the amount we spend and get, you will realise that exemption limit for the payment of tax should be raise to Rs.50,000. If it is done people having fixed income will also get some relief.

Workers at various places observe

strict quite often, sometime they resort to 'work to rule' which results in heavy loss of production. This problem should be solved. The Government will have to formulate National Wage Policy, may be after 5 years or 10 years if they want to run the administration from top to panchayat level efficiently. I would request you to consider this point also seriously. Its implementation should not be difficult under the leadership of the courageous Finance Minister like Shri Tewari.

Now, I want to draw the attention of Finance Minister towards the Gas tragedy of Bhopal. The death toll in the aforesaid tragedy has reached three thousand . Even today people are dying. The complication of diseases like Jaundice, Heart disease and lungs disease are increasing. There are some cases of even cancer. You have spent the amount of Rs.55.56 crores on their rehabilitation and relief in three years. The tormenting things is that the amount of Rs.56 crores only has been spent on such a horrible tragedy. Some political personalities are sympathetic towards Union Carbide. They mould the case in a way that the interest of the Union Carbide is served and they may not have to pay the compensation absolutely or to pay a very little amount, if at all. This point must be given due consideration. Rs.4-5 crores have been spent to improve the environment. The water of both of the tanks has become rotten. It can cause an epidemic. The condition of tanks should be improved by working upon the plans already prepared. Similarly an appropriate Cancer Institute can also be set up. The case is lingering on in the court and no one knows as to how much time it may take in getting compensation. The district court had given its judgement to make payment of Rs.350 crores as an interim relief. But the other side appealed in the High Court after which it may proceed to the Supreme Court and they may also go to American Court. In this manner the amount of compensation may not be paid to the present generation. The Indian

Government themselves should pay the amount of Rs. 350 crores as interim relief which the court has ordered the Union Carbide to pay and deduct the same from the amount that will be paid by the company after final judgement.

Many schemes have been prepared to abolish poverty. But I want to draw your attention towards an important point. The number of daily rated workers in our country is still very high. We have made our best efforts to get them already fixed minimum wages. But you can see that they did not get the work for more than 20-25 days and also do not get the fixed rate. They do not get more than Rs. 10/- per day which makes the total of 200 per month. In this manner we cannot raise their standard above the poverty line. So you will have to think about the amount to be fixed for daily wages that may help raise their standard above poverty line.

Similarly, conservation of energy has also been ignored in the present budget. Everyone talks about the necessity of energy conservation in this country. But there is total lack of determination on the part of our administration to do the job in a systematic manner. I want the Finance Minister to pay more attention towards this important factor and make the maximum possible provision for energy conservation.

There are no two opinions about the fact that there is large scale unemployment in our country, which is discussed quite often in the House. But it is a matter of great regret that Postal Orders worth Rs. 10 or 20 or 40, are demanded along with application forms for a particular post advertised in the newspaper. I want to request the Finance Minister through you to stop the exploitation of the unemployed persons at least, no matter they are paid unemployment allowance or not. I hope that you will give serious thought to it.

There are a number of forests in

Madhya Pradesh. A number of complications have arisen in the Forest Conservation Act already in vogue. Many of our villagers under Forest Department have been transferred to revenue department. There are land disputes even now. Thousands of acres of land is in the possession of tribal people, who cultivate it, corruption is rampant and bribe is to be given. No one dare to challenge them, even trees cannot be planted. Many State disputes remain unsolved they are not being disposed of. Why don't they solve those dispute by sending a joint team on the spot wherever they exist. Besides Madhya Pradesh, many other States are also facing the problems of forest lands which are under dispute. The land required for housing should be allotted to them and a decision may be taken with regard to the rest of the land. Because of this, many projects are hanging in the balance because it takes lot of time in the correspondence. Moreover there is bound to be cast exclamation if the projects are not implemented in time.

There is another aspect in this budget which has not been taken care of. Infrastructure in the country will have to be built rapidly. Roads are essential in every village. If the Government wants the farmers to sell their commodities at reasonable prices, roads will have to be provided for their transportation in order to bring them to the market. Although the provision of hospitals in every village is very necessary, yet its facilities can be provided to the masses only if roads are there. Similarly the roads are essential to provide the commodities at cheap rates to the remote areas. So the Finance Minister is requested to give special consideration to the construction of roads.

Objection has been raised about getting huge amount of loans from the foreign countries. Loan is essential for us because of our limited resources and lack of funds. Our former Finance Minister Shri Morarji Desai had got passed Gold Control order but the

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same was implemented half-heartedly. The fascination of the ladies towards gold has diminished notably because of terrifying incidence of robbery. Now they are going for imitation. Why is Government not taking advantage of the situation and put ban on the use, sale and possession of gold and thus make best use of the opportunity. We are aware of the fact that the quantity of gold available at present is sufficient to implement innumerable five year plans successfully. I think, you can get sufficient capital money, if you start returning it in the 21st century. With these words, I support the Budget.

*SHRI V.S. VIJAYARAGHAVAN (Palghat): Mr Chairman, I rise to support this budget. The maiden budget of the hon. Finance Minister is aimed at the over all development of the Indian economy. This is its speciality.

Generally this year's budget has been characterised as farmers' budget. True. It is very gratifying to note that the budget recognises the basic truth that farmer is the back bone of Indian economy. 70 % of our people are living in the rural areas. But agriculture contributes only 29% of gross domestic product. This shows that the agricultural sector remains backward even today. Any Govt which wants to develop India will certainly would concentrate its attention on agriculture. The hon. Finance Minister has done that in a commendable way. Therefore, I heartily congratulate him.

Let us now look at the major problems of our farmers and then the way in which the Govt has dealt with those problems. The farmer especially small and marginal farmer always faces the problem of recovery of loan. Having realised this the Govt has re-

duced rate of interest on Loan from 1.5% to 2%. Similarly, the limit of loans to the agricultural sector has also been raised. It has also been decided that the public sector banks will pay 17% of their total credit to the agricultural sector. In 1988-89 the farm sector will get rupees 3 thousands crores more by way of credit.

Another problem of the farmer is the availability of fertilizer and pesticides at reasonable prices. The Govt has provided that there will be a discount of 7.5% in the case of fertilizers and pesticides. This is a very welcome step. Similarly, there will be a permanent arrangement for giving relief and aid to the the farmers who suffer losses on account of natural calamities. In this connection the notable steps taken by the Govt is the setting up of the national agricultural credit relief fund.

Jaldhara, the project for giving pump set on hire to the small farmers is a very welcome feature. Similarly, the scheme of Kuteer Joyti which is meant for providing power connection to the Houses of people living below poverty line including harijans. It is an attractive scheme. Another attractive feature of the budget is that there is a provision of free insurance for the nuts of the poor people in the villages.

If these are the some of the concessions given to the farm sector the Finance Minister has given relief in excise duty on a number of items used by the common man. For example tea, coffee, sugar, edible oil matches, cement, kitchen utensils etc. etc.

Thus on the one hand the Minister has taken steps to reduce the prices of things used by the common man on the other invested more money in the productive

*The speech was originally delivered in Malayalam.

sector for the development of the economy. In the agricultural sector, the total investment has been stepped by 40%.

I would like to make a submission with regard to direct taxes. The Govt has decided not to make any changes in the direct taxes. The exemption limit of income tax has not been raised during the last two years. It is no use ignoring the fact that this has seriously affected the fixed income groups. The Govt employees had to return a major portion of the benefits given to them by the 4th Pay Commission as income tax. Similarly, even the dearness allowance that is paid to the employees neutralise the increase in the cost of living is taxable. Therefore, the employees do not get any real relief. I have raised the demand that dearness allowance should be exempted from income tax on many occasions in this House. Therefore, I would request the Govt to reconsider this.

Now, I come to some of the problems which my States is facing. Budget is the main instrument of plan development. It is a fact that there is no uniform development in all parts of the country. Regional imbalance is a serious problem. The main reason for this is lack of adequate central investment. This has created very serious situation in Kerala. There are about 27 lakhs of unemployed people in the State. The reason for this is that industries have not come up there. The LDF Government in Kerala has promised 10 lakh jobs every year. Having come to power on such a promise they have not been able to create even a single job during the past one year. They have thus betrayed the young men and women of Kerala. Perhaps, it is not known to many people. But that is a different point. The main point is that there is serious unemployment in Kerala. If you want to solve the problem there is no other way except to make large investment in the Central sector. There are many schemes pending before the Govt such as modernisation of FACT, development of ITI Palghat, Cochin Refiner-

ies, Cochin Shipyard etc. I would request the Finance Minister to take a more sympathetic attitude towards this problem.

Next point is about power. Kerala is facing a crisis situation in this regard. It is estimated that by the middle of 1988 40% power cut will be imposed on industries in the State. The power famine has seriously affected the economy of Kerala. We depend on hydro power only and failure of monsoon has created this power famine. Realising this the Central Govt has taken a decision to set up a thermal power unit in Kerala. I congratulate the Prime Minister for this. However, paper reports say that this project has not been included in the list of projects for the 8th Plan. I take this opportunity to request the Govt to take steps to set up this plant in Kerala without any delay.

Similarly, the proposal for the construction of Kuriarcutti-Karapara project which was thought of as an alternative project in place of the silent valley project is still hanging fire. This should also be implemented without any delay.

Sir, Kerala has been facing serious drought condition for the past three years. There is acute shortage of drinking water in many districts. The worst hit is Palghat district. In order to solve the problem of drinking water in this district and particularly the advasi areas in this district the hon. Prime Minister has sanctioned the technology mission for which I thank the prime Minister. I want to convey the grateful thanks of the people of Palghat to the Prime Minister for this mission. In this context I want to say one thing. When Kerala faced serious drought the Centre rushed there with aid. But the LDF Govt in Kerala was less interested in providing relief to the people and more in making political capital. They did not apprise the Central Study team of the real facts about drought. This was done to put the blame on the Centre. In Palghat many

[Sh. V.S. Vijayaraghayan]

people died after consuming contaminated water. The present Govt in Kerala could not even provide even medical assistance to the affected people. But they show as if all this aid which is coming from the Centre and the relief programme are their own achievements. Sir, the previous Govt in Kerala used to provide free ration to the adivasis. The present LDF Government has stopped even that. If it can claim credit for any achievement it is in respect of political murders. There is no law and order in Kerala. Even the representatives of the people have been assaulted. MLAs have been attacked. In such a situation how can the common man can be safe. There have been serious clashes between the RSS and CPM. There were as many as 48 political murders in the State after this Govt came to power. In my district many clashes between the RSS and CPM has taken place. In the last Panchayat elections the congress led United Front has scored impressive victory although there was wide spread rigging by the CPM. This shows that the CPM is losing public support. It is such a party which has organised Bharat band yesterday. Sir, what right have they got to organise a Band. When the country is facing the severest drought of the century organising a Band is an anti-national act. When Shri Rajiv Gandhi is trying to increase production and save people from starvation the Opposition parties are organising Bunds to disrupt it. This is directed against the people and that has been shown to them by the people of this country by decisively rejecting their call for the Bund. We have lost Rs. 750 crores in one single day.

In West Bengal and Kerala the Govts sponsored the Bund. In Kerala the CPM let loose violence on a large scale. Director of Doordarshan and other officials were assaulted. The managing Editor of a hundred year old newspaper in Kerala namely the Malayalam Manorma was attacked by the Marxists Goons in the middle of the road and

his vehicle was severely damaged.

The Director of Doordarshan was given police escort but when he was surrounded by large number of CPM activists the police withdrew and CRP had to be called to give him protection. 85% of the workers attended duty. But many workers were locked inside the factory buildings last night I got frantic call from my constituency saying that a large number of workers belonging to my union have been locked inside the factory building. Sir, the bundh was a total failure. When the Bund failed outside the Opposition came here and created a rumpus in the House. I am reminded of a saying in Malayalam which broadly means that "after getting a good beating outside one is taking out his anger on his mother." That sums up the condition of the opposition. I am sure that the people of this country will deal with them in the proper manner.

Finally, I must say that this budget is an important milestone in the path of progress. It will strengthen the economy. It is an effective instrument for implementing the progressive policies of Shri Rajiv Gandhi. I once again support this budget.

16.55 hrs.

[English]

ARREST OF MEMBER

MR. CHAIRMAN: I have to inform the House that the following teleprinter message dated 15th March, 1988, has been received from the District Superintendent of Police, Jahanabad, today:-

"Shri Ramashray Prasad Singh, M.P., has been arrested in Jahanabad Town under section 151 Cr. P.C. during Bharat Bandh today on 15.3.1988."

16.55 hrs.

GENERAL BUDGET, 1988-89-GENERAL
DISCUSSION-*CONTD.*

[English]

SHRIMATI JAYANTI PATNAIK: (Cut-tack): Sir, the Budget presented by the Hon. Finance Minister has evoked the most favourable reaction all over the country. It is a very independent and ingenuous Budget presented in the background of serious drains on the economy due to one of the worst droughts in the present century.

Despite current year's severe drought and indifferent weather conditions in different parts of the country during the last three years, the economy of the country has responded well. This shows that we have developed resilience and independence in the different sectors of growth — thanks to imaginative planning and management of the economy during the last eight years. Infrastructure and industrial sector have recorded impressive growths. Export position has also improved substantially over the last two years and the trade deficit has been declined. Power generation has improved considerably. Rise in consumer price index has been contained within the manageable limits. Given a good monsoon during 1988-89, the agricultural production as well as the overall economy will take a big leap forward

I congratulate the Finance Minister for placing emphasis on agriculture and irrigation where the Central Plan outlay has been increased by 40 per cent. In this connection completion of incomplete irrigation projects assumes priority and I hope that the Central Government and the Planning Commission will impress upon the State Governments to keep this important objective in view.

While the growth of revenue over the years has been satisfactory, the growth of

non-Plan expenditure has created concern. That is why a national exercise involving the State Governments is imperative to cut down non-Plan expenditure in all sectors.

• The Budget that gives thrust towards supplementing the agricultural revival with a wide ranging welfare packages for the weaker sections of society in the rural areas is likely to achieve two objectives:

- (1) The strengthening of the various poverty ameliorating programme, rural housing programme, social security fund to cover insurance for landless labours, handloom workers, rickshaw pullers and others will both generate a certain amount of purchasing power in the countryside to support industrial effort; and
- (2) A goodwill which may reflect at the hustings.

The main emphasis on the Budget has been on rural development including amelioration of economic conditions of farmers, generation of rural employment and self-employment for the poor, improve the flow of agricultural credit, strengthen the institutional framework and improve the conditions of the Scheduled Castes and Scheduled Tribes. Increase in food and fertilizer subsidies is a step in the right direction. However, we have to ensure that this benefit is distributed rationally in different parts of the country improving the fertilizer off-take in agriculturally backward areas like the Eastern Region of the country. It necessary to mount special programme for rice and other crops to improve production and productivity in this sector. Simultaneously while expanding the area under irrigation has to be given priority, we have to pay much more attention to non-irrigated areas by diversifying cropping pattern. Already a big leap forward has been

[Shrimati Jayanti Patnaik]
achieved in the oil-seed sector.

17.00 hrs.

The decision to lower the interest rate on agricultural credit is a momentous decision which would benefit millions of small and marginal farmers. In this connection I would urge that a special programme be taken up for revamping the strength of weak cooperative banks and regional rural banks in different parts of the country. The decision to involve the rural branches of banks to play a more meaningful role in the over-all development of surrounding villages is a very welcome one. Increase in target of direct finance for agriculture by public sector banks will also help the farming sector. Reduction in the price of fertilizer by offering a discount in sale will also help farmers substantially. I am thankful to the Finance Minister for agreeing to set up a National Agricultural Credit Relief Fund. But the modality should be worked out quickly in consultation with the State Governments so that the Funds is launched expeditiously.

The Jaldhara scheme is an innovative scheme to assist marginal farmers in drought-prone areas. Equally innovated is the Kutirjyoti programme which will extend single point light connections to rural households including Adivasis and Harijans.

I must congratulate the Finance Minister for strengthening of the corpus of the National Housing Bank. It will go a long way in promoting rural housing. Expanding the role of land development banks to cover housing finance for farmers will help this objective. A similar scheme by HUDCO envisaged in the Budget will help small and marginal farmers for construction of houses. HUDCO's new programme for environmental improvement is welcome.

The new scheme for provision of insur-

ance coverage for fire hazard to landless labourers, artisan and poor families in rural areas will help the most vulnerable section of the rural community. The Social Security Fund of LIC would be able to provide insurance cover to artisans, landless labourers etc.

The new crop insurance scheme to cover small artisans and wage earners would be in the true tradition of a socialistic economy.

One of the most welcome decision is to set up the National Scheduled castes and Scheduled Tribes Finance and Development Corporation. But in some States there are already such Corporations. So this Corporation has to work in close collaboration with similar institutions set up in different States and would be able to promote entrepreneurship among Scheduled Castes and Scheduled Tribes.

A long standing demand of the small industries sector has been met by creating a Small Industries Development Bank. An equally healthy decision has been to provide single window facility to small scale units for working capital upto Rs.2.5 lakhs. Introduction of a new scheme to safeguard industry from the impact of foreign exchange on foreign currency loans will help imports of equipments. The Finance Minister is hopeful that industry would continue to perform satisfactorily given the continuation of the Liberalisation Policy.

Introduction of the Kisan Vikas Patra and Liberalisation of Indira Vikas Patra will help mobilise small savings.

While there has been a welcome reduction in excise duty on electronics items, some of the components hitherto exempted from Excise Duty levy, have been brought under excise levy. This would affect many marginally viable component industries. I would request the Finance Minister to kindly consider withdrawal of this levy.

The Central Government have to make all possible efforts to ensure that large reliefs given under different items are actually passed on to the consumers and the industries do not absorb it partly or entirely.

The Central Government have to make all possible efforts to ensure that large reliefs given under different items are actually passed on to the consumers and the industries do not absorb it partly or entirely. An example is the man-made fibre industry,

Basic infrastructure sectors like energy, transport and communication have got increased allocation of 25 per cent and this is a very welcome move. Same is the case of coal where the provision has been stepped up by 30 per cent. Although power generation sector has got an increased outlay of 32 per cent, this is not sufficient considering the need of the country. I would advocate for a much more liberal policy of encouraging import of capital machinery with package of foreign credit to set up a large number of power plants not only in the State sector but also in the joint and private sectors. Only by increasing the power base can we hope to optimise the industrial and agricultural production in our country. As you know, what is the condition of power in the country. So, this may also be considered by the Finance Minister and more fund may be allocated accordingly. The overall revenue effort in the budget amounts to Rs. 1534 crores balanced by concessions of Rs. 922 crores yielding a net revenue of Rs. 614 crores.

The notable feature of the excise is that the additional burden does not fall particularly, heavily on anyone. While the concessions are fairly, widely distributed, the major revenue earner is the special excise duty levied at the rate of 5 per cent of the basic duty and these will be a few exemptions.

In raising the prices of colour TV sets, airconditioners large motors the govern-

ment has sought to counter the impression created by the last two budgets that it was soft on the rich. In contrast, relief on household appliances, utensils, toys and cement for instance would hold a wide appeal particularly to the urban middle class.

On the whole the budget contains many innovative and ingenious proposals to bring about economic development especially in the rural areas and the vulnerable sectors of the community. The two criticisms which I have found as a reaction to the budget proposals are a large uncovered deficit and the absence of relief on taxation on the corporate sector. Considering the economy as a whole, the Finance Minister had no other way out. The budgetary deficit of Rs. 7480 crores which is just 9 per cent of the total expenditure is a modest figure considering the problems facing the country. The corporate sector must contribute to the overall development of the country with emphasis on the poor since it is a sector which contributes a large percentage of the direct taxes. I am sure that the Central Government will take adequate safeguards to ensure that inflation is kept within manageable limits conducive for the growth of economy despite the large uncovered gap.

With these words, I congratulate the Finance Minister for his trail-blazer budget proposals which have owned acclaim from the majority of the people in the country.

[*Translation*]

SHRI LAL VIJAY PRATAP SINGH (Sarguja): Mr. Deputy Speaker, Sir, this Budget has been prepared keeping in view of all types of people that is farmers, women, workers, pressmen and the small industrialists. This is really commendable.

Mr. Deputy Speaker, Sir, you are aware that Congress Party had issued its manifesto before elections and placed it before

[Shrilal Vijay Pratap Singh]

the people and also made the masses aware of its programmes. This Budget has been presented in this House just to implement those programmes. It definitely propounds the values of Congress Party and directly benefits 75 to 80 % people of the country. This Budget should be welcomed from every point of view.

Mr. Deputy Speaker, Sir, you are aware that our country is mainly agricultural country and its 80% population depends on agriculture. You might have been aware that at the time of independence the production of foodgrains in our country was only 50 million tonnes. Today, we feel proud of it when our Finance Minister and Prime Minister say that we would be able to produce 175 million tonnes of foodgrains and make the country self sufficient in foodgrains.

The opposition Members have described this budget as directionless. They have also said that it will be inflationary. I would like to know from my opposition colleagues that when this budget has given so much direct benefits to the farmers of our country, can it be termed as directionless budget. I fully accept it as a socialistic budget. Each and every word of this budget gives indication towards the progress of our country.

I want to give a detailed description of this budget. The prices of Urea has been reduced by 8.80 rupees per bag. It will definitely encourage the Green Revolution. The price of phosphorus fertilizer has also been reduced. The schemes which provide benefits to the farmers directly have been included in this budget e.g. the mid—term loan has been converted into long term loan and short term loan has been converted into midterm loan.

Sir, you are aware that the country is facing a severe drought at this time. This is

the most severe drought of this century. In this context also, this budget is laudable because a provision of an additional amount of nearly 236 crores rupees, is being made to complete all those irrigation schemes which were left incomplete. It is in itself a great achievement.

There are many other things in which I do not want to go at present and due to lack of time I would go into those things only which are beneficial for this country. I would like to request the hon.Minister, Shri Panja, who is now sitting here to reduce the formalities of Budget speech. Now the time has come to give some practical shape to these speeches. I request the hon.Minister that before the preparation of Budget, a general discussion should be held and each member of Parliament and Legislative Assemblies should be taken into confidence. The detailed schemes and programmes should be worked out which must be related to their constituencies and some meaningful work should be done there. Mr. Deputy Speaker, Sir, no doubt, works are being done in States but it is also true that a situation of regional imbalance is growing. I, Most humbly, request to change this situation. If the development programmes remain confined to only metropolis and cities then the rural people will feel themselves isolated and then the country will have to face the consequences.

Mr. Deputy Speaker, Sir, I would like to make one more submission that the Government have given many concessions to the countrymen but the fact remain that taxes are also levied upon them on large scale. No doubt, taxes are necessary for the progress of any country, but I think that only as much taxes should be levied as could be recovered. The Indian Government levies taxes more than any other Government of the world but collects very little. I am of the definite opinion that only as much taxes should be levied which are sufficient to meet the requirements of the country. While im-

posing taxes the Government should also make arrangements for the collection of these taxes. We should adopt various methods to realise them. You are aware that in the present times no one is happy to pay the taxes and neither it is good to harass the people by levying more and more taxes. I strongly demand that Government should take strong steps to collect taxes for the purpose of increasing our resources and it should do away with all the superfluous taxes.

I Have one more submission that the Government should definitely reduce the Non-Plan expenditure which comes to 70 % at present. It will not do any good to the country. Similarly, I have one more submission that we are spending a huge amount on our defence requirements . The Government should pay special attention towards its caste effectiveness. This is also necessary to fulfill the requirements of our armed forces at any cost. But the Government must see that their schemes and programmes should not be very much expensive and we will also have to limit their size. Our country is a pioneer is so far as disarmament is concerned, We should not store these arms more than that of actual requirements of our country. By this, we wou'd be able to set an example and move o. country towards progress. When we take up any project then we must derive full benefits from it. There are so many projects which are still lying incomplete and the country is not in a position to get any advantage from those projects. We are also not in a position to complete those projects. We will have to double the provision recently envisaged in this budget to complete those projects. In view of this, we will have fix a limit, think about completing some selected projects only so that the funds may be better utilised. With these words, I conclude.

*SHRI R.JEEVARATHINAM (Arakkonam): Hon. Deputy Speaker, Sir, I welcome the General Budget for 1988-89 presented by our hon.Finance Minister.

Severe drought conditions prevailed all over the country last year. To battle the drought conditions, the Govt has allocated during 1987-88, an additional amount of Rs.236 crores for various relief measures and for agriculture and irrigation projects. I congratulate the Prime Minister and the hon.Finance Minister for this fine gesture. This year the Central Plan outlay for irrigation has also been increased by 40 % . I welcome this. I request the Govt to spend this money properly for irrigation purposes.

Farmers constitute the majority of our population. Agriculture is the mainstay of our rural poor and they are the worst affected by droughts and floods. Even the Father of our Nation Mahatma Gandhi did not fail to give importance to agriculture. Accordingly, our Finance Minister has presented this Budget to serve primarily the interests of farmers in this country.

Loans are being provided liberally to the rural poor for agricultural purposes. Interest rates on these loans have been reduced. But the reduction in interest rates in not enough. It must be further reduced to only 8 % on all agricultural loans. If the farmers fail to repay the loan, the farmers are either charged compound interest or additional interest on the interest claimable from the farmers. Hon. Finance Minister must bring forward a programme for recovering agricultural loans extended to our poor farmers on nominal interest rates.

I also welcome the reduction of excise duty on pumpsets.

*The speech was originally delivered in Tamil.

[Sh. Jeevarathinam]

Weaving comes next to agriculture. Govt has so far been paying a subsidy of Rs. 2 per metre. Now, the Govt has proposed in this Budget to pay Rs. 2.75, per meter as subsidy. I welcome this. The Govt is also providing subsidy on janata sarees. The Central Govt pays this subsidy to the State Govt. and it has, there after to be paid to the weavers through cooperative societies. Before the stock is lifted from the weavers, the Central Govt pays this subsidy to the State Govt for onward payment to weavers. The sad fact about this is that the subsidy intended for the weavers does not percolate to them.

In my constituency in Ammaiyarkuppam, Palliputtu and Tithani there are nearly 60,000 weavers. They have 600 to 700 weavers' societies. Sarees worth Rs. 85 lakhs were proposed to be lifted from the weavers and subsidy matching the worth of the stock was also received from the Central Govt. However, due to some problems which developed later, the sarees numbering 21/2 lakhs have not actually been lifted from the weavers. The Central Cooperative Bank had financed the weavers for production of these sarees. Since the stock of sarees has stagnated with the weavers, they are constrained to pay high rates of interest and penal interest to the Bank on the loans obtained from the Bank. Their families have been ruined. They are sinking in debts. I have been drawing the attention of the Govt, to this genuine problem of the weavers. Even, recently, when I participated in the debate on the motion of Thanks to the President's Address, I highlighted the problems faced by the weavers.

I also met the hon. Textiles Minister Shri Ram Niwas Mirdha and submitted a memorandum in this regard.

The principles, philosophies, plans and programmes of our hon. Prime Minister are

extremely good. But while implementing the plans some problems surface. These must be resolved without delay.

Then comes the industries in our country. Industry in India has grown by leaps and bounds. Pandit Jawaharlal Nehru was the architect of Indian industry. However, there are many sick units in our country. Steps taken so far to rehabilitate them are not adequate. Either the Govt should take over the sick units or auction these sick units to enable private entrepreneurs to run these units. The auction money would not only redeem the sleeping capital in the sick units which is estimated as Rs. 5000 crores but can also be used for developmental purposes. I have been drawing the attention of the Govt to this particular problem of our industry for the past 3 years since I entered Parliament. I have also made mentions about it in the Consultative Committee of Parliament. No concrete proposal has so far emerged.

In the case of a private individual, for a simple loan of Rs. 5000 or 6000, exorbitant interest is charged. I shudder to think of our interest payments on this Rs. 5000 or Rs 6000 crores blocked in sick units. Hon. Finance Minister must, therefore, take effective steps to rehabilitate the sick units on the lines I suggested.

Hon. Deputy Speaker, Sir, I have been waiting for the past 5 hours. Please give me 5 minutes.

MR DEPUTY SPEAKER : There are other people waiting.

SHRI R. JEEVARATHINAM: I am hungry too. Interest rates have been reduced in respect of farmers. Such concessions should also be shown to the mercantile community. The Govt. must fix a uniform rate of interest for them. Some 10% or 12%. Traders contribution towards economic

growth cannot be undermined. Traders are the backbone of our country. Hon. Finance Minister must also explore the possibilities of reducing interest rates on loans to the trading community.

Interest at various rates are given on fixed deposits. I do not know how Reserve Bank of India allows this. Poor people invest in companies offering returns at 14 %, 15% and 16% and after 2 or 3 years the companies are no more in existence. This has happened in Tamil Nadu. The Govt and the RBI must look into the whole matter and take necessary steps.

Next is about the income-tax. The Govt has raised the standard deduction in respect of salaried class from Rs.10,000 to Rs 12,000. Small traders and middle level traders must also receive attention of the Govt. Traders paying Rs. 16,000 or 20,000 as income tax cannot be big traders. Income tax limit must, therefore, be raised in respect of these small traders.

Rural development should also receive the attention of the Govt. Rural Development Banks are proposed to be set up in every village having a population of 10,000. My humble request is that only the villagers and local people should be employed in these banks. Regulations should be amended for this purpose.

We are providing housing finance to harijans under RLEGP. We pay Rs.10,000. This is infinite small considering the rise in cost of building materials. This amount should be at least, raised by Rs. 2000.

Likewise, house building loans must be provided to the beedi and cigar workers. The loans must be provided on long term basis and recovered in reasonable instalments.

While concluding let me thank you, hon. Deputy Speaker for bearing with me for

a long time.

SHRIMATI USHA RANI TOMAR (Aligarh): Mr. Deputy Speaker, Sir, I want to congratulate the hon. Finance Minister for presenting such a historical Budget for the year 1988-89 and also support this Budget.

Our Prime Minister, Shri Rajiv Gandhi deserves congratulations for granting concessions and reliefs, particularly to farmers and weaker sections, through this Budget. In this Budget, the attention has been given towards the interests of every section of society. The relief has been given to agricultural labour and weaker sections of society, to kitchen wares the cultural and historical articles and the commodities of daily use. This Budget proves that Hon. Prime Minister has kept in mind difficulties experienced by the poor as well as women. Not only this, the attention has also been paid towards the development of children, who are the future generation of our country. The concession has also been given on toys, dolls etc. which is being praised everywhere. The toys play an important part in developing the mind of children.

I have myself seen in my constituency that due to the concessions given to farmers, they are very happy and are praising this Budget. The Prime Minister's announcement that the interest where it is more than the principal would not be recovered is being praised everywhere. Our Prime Minister has undoubtedly fulfilled his promise of uplifting the farmers and weaker sections of the society.

Sir, there is a problem of farmers in our State i.e. Uttar Pradesh where sugarcane is grown in abundance but their crops are standing in the fields due to inadequate crushing facility. One of my colleagues raised this point here. Supporting his view point, I would like to say that sugarcane is extensively grown in Aligarh district also

[Shrimati Usha Rani Tomar]

which is my constituency, but sugarcane crops are still standing in the fields there also due to lack of adequate transportation facilities to carry the produce to the mills. I would like to urge upon the hon. Minister of Finance to set up a sugar mill in my constituency to facilitate crushing of sugarcane produced in our area. Although there is a sugar mill in my area but that is far from the "Tappal area" of my constituency where sugarcane is grown on a large scale. Existing sugar mill is situated at a corner place in my constituency. A lot of distance has to be covered to carry the sugarcane to the mill. Therefore, I urge upon the Minister to set up a sugar mill in my constituency so as to ensure remunerative prices of sugarcane to the farmers.

Sir, Budget for 1988-89 is receiving all praise everywhere in India. With these words, I support the Budget and offer my felicitations to the Minister with the core of my heart.

SHRI RAMDEO RAI (Samastipur): Sir, I welcome the general Budget presented by our hon. Minister of Finance because it is farmer and poor oriented.

Hon. Deputy Speaker, Sir, it is a matter of pride for the nation that our Prime Minister, who is an acknowledged leader of the country, is earnestly making all efforts to fulfil his commitments made to the poor people of the country with full dedication. It proves that we are a secular, democratic country. India is a country of firm determination and Shri Rajiv Gandhi symbolises it with his ability to translate that determination into practice. Our Prime Minister has been working for the fulfilment of the aspirations of the 80 crore people of our country. Today, you can find a ray of hope emerging in the eyes of rural poor. They now feel that the leader and Prime Minister of our country is a man who is talking the country forward, sharing the grief and sorrow of the poor. Therefore, we can

say that this progressive and effective Budget is based on democratic values. And this is the reason why it is being praised everywhere.

I would also like to say that a number of schemes with regard to irrigation, rural development and poverty alleviation are being undertaken. But nature is not cooperating with us. Adequate allocation has been made in the budget for agriculture and irrigation. But, Mr. Deputy Speaker, Sir, our country has been reduced to a skeleton due to drought. Floods and heavy rains have caused colossal loss in Bihar. Even today, Bihar is bearing the brunt of untimely rains. Earlier, it was drought there. Recently, there has been hailstorm in North Bihar, as a result of which 75 per cent of Rabi crops has been destroyed. We know that the Government can't be blamed for the hailstorm. I know the Government will take all measures expected of it. For example, where there is problem of floods and water logging due to rains, the Government will have to make arrangements to check floods and drain out accumulated water caused by rains. We would have to make water reservoirs by constructing rivulets to check the rain water from causing havoc and to use them for the irrigation whenever required by farmers. So, today there is a need to strengthen the irrigation facility. Seventy five per cent of the total tubewells installed in Bihar are not working. More than fifty per cent of tubewells are out of order for want of repairs involving a small cost ranging from 10 to 25 thousand of rupees. Somewhere the machines itself are out of order and somewhere tubewells are not working, due to which farmers are suffering. Now, this budget has raised a new hope that the Government shall make efforts to complete abandoned projects and also the projects needing some repairs. In this connection, I would like to draw the attention of the Government to tube wells in Bihar to make them operational by providing subsidy..

All of us know that a number of rivers flow in Bihar, on an average at least five rivers flow in each region, water of which flows down unharnessed after every flood. Now, there is every need to harness river water, which involves less cost in providing irrigation and is more beneficial as compared to water derived from other sources. I would like to urge upon the Government to prepare a scheme to harness river water so as to provide water to farmers.

Programme for the upliftment of people above poverty line is also going on but Banks and Block Offices are two great impediments in it. Today, farmers have to take a number of rounds to Bank and Block Offices. They have to offer bribe there but even then they do not get loan in time. It appears to me that with the presentation of this budget, which shows the ability and foresightness of our Prime Minister, our people will be amply benefited with the programmes provided in it. But I would like to invite your attention that the farmers would not get benefit until they get rid of making rounds of banks and block offices. Therefore, I would like to impress upon that banks be brought under control of local officers. Nowadays bank employees don't care for local officers and even don't follow their directions. They even don't follow the orders of his/her authorities including the district magistrate concerned. You see, there is no one to control and direct them. This is why we are not getting the desired result from the banks.

Our Government has implemented new education policy, which has certainly raised the hopes for the children of the poor. Children of poor would also study in the same school alongwith the children of rich people. But arrangements for imparting education certainly create some sort of doubts. Therefore, I would like to urge upon the Government to make such legal provisions so that State Governments may have to make proper investment of the fund for primary

education to bring about maximum benefit to the children. Students are not getting proper benefit of that and they have dark future. I hope you will take necessary steps for it.

At present farm labourers in Bihar are migrating to Punjab and West Bengal. As a result thereof, farmers of Bihar are suffering losses because farming work has been adversely affected due to the migration of labourers from Bihar to Punjab and Bengal. I would urge upon the govt to impose a ban on migration of farm labourers from there. Migrated labourers are being exploited in Punjab. When they return from there they are found to be inflicted with diseases some of them die in the way even. Their condition is very miserable after returning from there. Therefore this practice should be banned. You should get these labourers registered and they should migrate only with state governments permission.

There are so many sick mills in our state which required to be made operational. Thousands of people will derive benefits from them. There is a Thakur Paper Mill in Samastipur which has been lying closed for many years. No body is coming forward to reopen the said mill. So, I would like to urge upon the Government to reopen it without any further delay.

North Bihar is a poor and backward region. And Samastipur has to bear the brunt of not only of natural calamities but also of your system. People of Bihar have same right as enjoyed by the people of other places. People of Samastipur have the same right as enjoyed by the people of Bombay, Calcutta and Madras. The people of Samastipur want that industries be established there. Many schemes have been pending for many years pertaining to that area. Our Prime Minister has given direction for its implementation such as establishing of a graphite factory but it is not known why it is still not being implemented. Unless we

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setup industries in villages, the poor people cannot make progress and get their due share in the benefits accrued from development. Therefore, I urge that you should pay full attention to it.... (Interruptions)

[English]

MR .DEPUTY SPEAKER : All right. Please conclude. Next, I call Shrimati Patel Ramaben Ramjibhai Mavani to speak.

[Translation]

SHRI RAMDEO RAI : I also submit that you should pay more attention to cottage and small scale industries. Unless you give incentives to the cottage industries, India will not become a prosperous country. The way you have presented this Budget for poor and farmers, it would have to be implemented accordingly and the villages will have to be kept associated with us. Poor youths, farmers and labourers would have to be associated with us. There is a proverb that a young man can seldom be corrupt, of course, he may be a quarreller. Prime Minister of our country is a young man. He will fight against evils, calamity and poverty in the country. Therefore, the entire people of this country who have the feeling of nationalism and Indianism will embrace the feet of the Prime Minister and will appreciate his efforts. The way our Prime Minister has fulfilled his promises, it becomes the duty of 80 crores people of our country to appreciate his work and also extend co-operation to him...(Interruptions).... Therefore, I urge upon the people who criticise this Budget that they should appreciate the steps taken by our Prime Minister. If they do not do so, it will be like making a mockery of Indian culture, Indian literature and Indian pride...(Interruptions)**.

[English]

MR . DEPUTY SPEAKER : That is all. Nothing will go on record. There is no end of it. I am not allowing anything more to go on record.

(Interruptions)**

[Translation]

SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI [Rajkot]: Mr .Deputy Speaker, Sir, I support the Budget presented by our hon. Minister of Finance. Economy of the nation has felt a new awakening in this year's Budgetary provisions. People of all classes of the society are contented with the Budgetary provisions and our commitments to poor people, farmers and others are reflected in this Budget. I congratulate Shri Tiwari to play this difficult role with great capability and skill. I have termed the role of Shri Tiwari as difficult because almost the whole country has been reeling under the severe drought conditions throughout the year. Some states, which had escaped the wrath of drought, had to face unprecedented floods which has affected our agriculture based economy adversely. There is yet another Minister of Finance in India which is known as rain god. This other Minister of Finance has remained angry this year and that was the reason that the work of Shri Tiwari had become more difficult. Under such adverse circumstances, it was not easy to give justice to all sections of the society and to keep them happy while successfully taking the economy of the country on the path of progress.

Interests of crores of poor people, landless and small farmers have been kept in mind even though there was a proposal of great cut in the prices of fertilisers. No doubt,

there is some reduction in interest rate on loans pertaining to farmers but it is not adequate. Farmers affected by drought deserve more concession. It is my humble suggestion that the farmers of the states affected by drought successively for the last three or four years should be fully exempted from paying interest on their loans. Sufficient quantity of seeds and fertilisers should be provided free of cost to the farmers owning land upto two bighas. Recovery of their electricity bills should be suspended. These steps do not involve much revenue loss to the Government but this will go a long way in providing relief to the affected farmers.

No doubt, many new programmes have been mentioned in this Budget like 'Jaldhara' i.e. to provide water to every village and 'kutir jyoti' programme which will light every hut of a poor man living in the villages. Not only this, poor people will get employment while living in their own villages and tendency of migrating to cities will decline. This scheme will prove very beneficial. We will achieve great success in it.

The scheme to provide assistance at low rate of 7 per cent interest repayable in 22 years for building houses for small & marginal farmers will prove very beneficial to the people belonging to middle and poor classes.

Exemption in excise duty on khadi and village Industries and electronic goods manufactured by co-operative societies in village has been provided. This will fulfil the dreams of Mahatma Gandhi and promises made by our Prime Minister to the poor.

There is a provision in the Budget to sink one million wells under N.R.E.P and R.L.E.G.P. schemes. Many schemes have been included in the Budget for welfare of Harijans scheduled tribes and journalists but still I offer a suggestion that dearness allowance granted recently to low paid employees

should be tax free, keeping in view the price increases so that they can feel comfortable and sustain their lives. This step will provide relief to petty employees.

Our Minister of Finance has paid great attention to women and children. Mr Tiwari has enhanced self respect of our woman folk by exempting Kumkum, Kajal and other symbols of the age old glorious & devout womanhood from taxes. Still this will not do. I shall definitely draw his attention towards this that Mangalsutra (symbol of being married) is considered to be a pious binding after marriage. At present there is 200 per cent (takka) duty on its beads. Due to this, beads are smuggled in large quantity. Due to higher cost of mangalsutra, poor ladies wear it in dreams only. Therefore, I hope that our Minister of Finance will exempt it from the duty and receive their blessings by providing mangalsutra to every woman.

In the end, I would like to say that the textile industry is on the brink of its closure due to excessive excise duty on it. Some mills are being closed. Many mills have already been closed in Gujarat and this has a direct bearing on the employment of poor people. It has created a problem for them. It has also resulted in increase in smuggling activities. You should reduce excise duty on clothes, after having a serious thought on it. Excise duty on textile industry should be reduced. Our Minister of Finance has made efforts to bring true socialism in the country. For this, I thank the Minister of Finance and support the Budget.

I also thank you for the opportunity given to me to express my views.

SHRI BHISHMA DEO DUBE (Banda):
Mr. Deputy Speaker, Sir, I support the Budget for the year 1988-89. In fact, this Budget is in the interest of people in general and it will give some relief to the people who have been affected by the severe drought of

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the last year. It is a very good Budget for the farmers living in our villages. Our Prime Minister and the Minister of Finance deserve congratulation for this.

When I was going through the Budget, I found that our Minister of Finance is how deep & precise in his thinking while preparing his budget and giving concessions and reliefs in the Budget. It is really worthy of praise the way reliefs have been given and sections of people have been chosen to grant concessions. I come from a farmers family and I have seen in my constituency that this Budget has been welcomed to a great extent and the people are immensely happy after this Budget. With these words, I once again congratulate him.

Farmers will be much benefitted with the schemes like 'Jaldhara' 'Kutir-Jyoti' "Village Abadi Environmental Improvement Scheme" and "Krishi Vikas Patra". This will definitely lead to improvement in our economic condition. I am neither an economist nor a student of economics. As such I am not in a position to prove my view point with the help of statistics but I work among the people whom I represent and from where I hail from.

I am expressing their feelings before you as to how they are satisfied and feeling well protected after presentation of this budget. Generally, people await the budget proposals, holding their breath in suspense as to what is likely to happen. The way the severe drought has weakened the economy, the entire kharif crop was destroyed, they were thinking about the additional taxes likely to be levied upon them but when Budget was presented, they felt great relief because no additional tax was imposed on them.

Many respectable Members of this House expressed their views on the Budget. I have observed from the views expressed

by the hon. Members of the oppositions that they have not viewed the Budget in a totality but have criticised it selecting some points here and there. Budget should be considered as a whole to see which sections is being affected and whether they are in a position to pay the taxes after being affected. In this connection, I am recalling a story. Some people, who did not have the eyesight, were feeling an elephant with their hands and were talking among themselves. One who touched the leg of the elephant, asserted that the elephant was like a pillar, I feel they have viewed on the Budget in the same manner. If they consider the Budget as a whole, they would have understood that this was a very fine and good Budget.

I will like one thing more. Migration of people from village to cities is a thing of great concern. As many as to say 75 to 80 per cent of the people live in village in our country. 35 per cent of the people who live in the villages are connected with agriculture in one way or the other. Either they work as labourers in the field or they own their own fields. When people migrate to the cities, it creates many problems in the cities and the villages also decrease gradually. As such, we should formulate such schemes which can detain the people in the villages itself. We should open avenues of income in the villages and provide facilities there, for which they migrate to the cities. This way, the problems in the cities will lesson and slums will be ended. People will like to reside in the villages if facilities are provided to them there. For this, the greatest necessity is to link every village with a road. Roads constructed through reliefs works disappear in two to four years due to rains. As such some schemes should be formulated that the roads constructed through relief measures should be made pacca and permanent. After all, the money spent on constructing these roads belongs to the country. Why these roads are being constructed temporarily? I, therefore suggest that there should be a proper planning

for the villages as to how the houses are built and the lanes are laid. Because in the coming time small villages will change into big villages and the big villages will take the shape of big cities. Similar problems will arise there under these conditions slums will be visible there. Therefore, why should we not plan now as to the type of houses to be built there and the way lanes are to be laid. In many villages, drinking water is supplied through the pipes from the tanks constructed there but due to the punk, the lanes become unworthy of walking. Therefore, we have to consider from now on that how the villages should be developed so that such problems do not arise in future.

Along with this, I will like to submit that I.R.D.P, N.R.E.P and R.L.E.G.P. are revolutionary schemes but we have seen that the schemes initiated by the centre do not give full benefit to the people at the lower level.

So, its proper implementation is essential. I feel that for its proper implementation, a committee should be constituted which should exist at district level and its Chairman should be a people representative who may ensure its implementation. We are representatives of the people. We have many responsibilities, we live in Delhi, we are busy with work of the session of the House and meeting of district Committee take place in our absence and we do not come to know of the decision taken by them. Therefore, we will not be able to have rapport unless we are directly associated with them.

I want to mention one thing about my constituency, from where I have been elected. The way I have been offered opportunity today to express my views last of all, similarly my area i.e. Bundelkhand ranks last in the matter of development. Now I want to draw your attention towards the progress of Bundelkhand. The most critical drought occurred there and we faced the drought.

[English]

MR. DEPUTY SPEAKER : Wind up please.

[Translations]

SHRI BHISMA DEO DUBE : Mr. Deputy Speaker, Sir I am provided opportunity so late, my points have been misplaced somewhere, I want to say whatever is left with me. I was talking about my area Bundelkhand. This is a backward and undeveloped area. If there is any such area there that is Bundelkhand in Uttar Pradesh. I had a talk with Prime Minister one day, he had expressed the view that such scheme should be formulated in connection with Madhya Pradesh and Uttar Pradesh by which they may have full development. Perhaps, it may be considered in future. But I submit that a Central Commission should be constituted for Bundelkhand, as it is being formulated for hilly regions. There is U.N.D.P. programme for irrigation under which five districts of Bundelkhand and three other districts should have been irrigated. These districts are Jhansi, Lalitpur, Banda, Hamirpur, Jalon and Allahabad, Banaras and Mirzapur. These are hilly areas. There is an U.N.D.P. programme for providing irrigation facilities. When the discussion on Ministry of water resources will take place, I shall talk about it in detail. I submit that there is a U.N.D.P. Programme for providing irrigation facilities to Bundelkhand. It should be taken on top priority. If we make available the resources for irrigation here, then our agriculture, which is totally dependent on rains at present, will get some stability and we shall get strength to some extent. There are yet another programmes such as programme of drawing underground water through boring the land, programme of providing irrigation facilities, but these scheme have been lying pending for last eight years. Had we completed U.N.D.P. programme earlier, we would have faced drought situation effec-

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tively. I am happy to know that Government has taken a decision that schemes which have been lying pending will be completed first. There are about half a dozen schemes pending in our area also. Those could have been completed within the stipulated amount but today they will cost about four times of their original estimates. Attention has been paid towards it, it is a thing of happiness and satisfaction.

There is a proposal to establish a flint-glass factory in Banda at the cost of Rs.200 crores. But there is an amazing thing about it that factory is being established at Banda but its offices are being opened at Allahabad. I am not able to understand the rationale behind it. It is just like opening the university in Delhi and establishing Board housing in Amritsar. I am not able to understand as to how the people of that place will be benefitted out of it under such circumstances and how they can be co-opted with them. At least, all the offices should be opened in Banda district so that people of that area can be benefitted.

The main necessities of the country today are agriculture production and to check the increasing population of the country and if we could be able to solve these two problems together effectively, our future problems will lessen very much.

Agriculture production has direct bearing with the provision of water to the fields and in order to providing water, we should give top priority to all our irrigation schemes.

About relief work, I want to say that relief work in connection with drought has since been stopped. When the drought occurs, its effects are felt next year. Now when effects drought are being felt by the people, relief work has been stopped. Relief work should be started immediately so that the drought which has since passed away, people can

be saved from the severity of its effect.

The Budget which has been presented here, is a very balanced Budget and it has been presented under such a conditions which was very difficult to control. I congratulate the Minister of Finance and Hon. Prime Minister for it. I thank you for giving me an opportunity to speak.

HALF-AN-HOUR DISCUSSION

(National Seeds Policy)

18.06 hrs.

[English]

MR. DEPUTY SPEAKER : Now we take up half-an-hour discussion. Shri Balasaheb Vikhe Patil may speak.

[Translation]

SHRI BALASAHEB VIKHE PATIL (Kopergaon): I have given half-an-hour discussion notice about unstarred question No.1783. This question was about National Seeds Policy. In reply to this question, it was stated that there was no such policy and details also could not be furnished and the question does not arise. I have to say with regret that we have not been able to formulate National Seeds Policy so far. Whenever national calamities, natural calamities, drought, floods, cyclone occur, we seeds. The farmers need it. National Seed Corporation was established in 1963 to look after it. But it has been stated in the Government Report that their work is not very satisfactory. During 1985-86, their production was on lower scale and it all happened due to carry over. I am not able to understand as to why the people do not take high quality seeds having good germination potential. There is adulteration in seeds. Recently, 16