

PRESS RELEASE
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**THE BUDGET IS NOT FOR THE POOR
BUT FOR THE CORPORATES**
- Forward Bloc

The Union Budget 2010-11 placed by Pranab Mukherjee, the Finance Minister, today in the Parliament is not aimed for the vast section of the poor people of India. The Budget has given lot of tax exemptions for the corporate sector. It is an irony that while harping upon inclusive growth the government is excluding the poor. It is a shocking announcement from the Finance Minister that to hike the Central Excise duty of petroleum products by Rs 1 per litre. It will have cascading effect. The prices of essential commodities will go further up and the more farmers will be forced to quit the agricultural activities in the light of the Budget and the recent hike of Urea prices and the announcement to reduce the fertilizer subsidy. This budget has nothing to stop the suicidal saga of farmers. The poor people and the farmers will be the direct victims of this budget. The 2% subsidy for farm loan will not make much difference. The government has totally ignored the suggestions made by Swaminathan Committee to bring back the agriculture into the path of growth. Allowing the private sector to procure the food grains will lead large scale hoarding and black-marketing.

The government is worry about the food subsidy of Rs. 52,490 Crores but keeping silence on the revenue foregone of Rs 4,18,096 Cr. through tax exemptions to the corporates. The surcharge reduction of 2.5% announced in this budget to the Corporate sector will further enhance the revenue forgone in this account.

The decision to allow the Reserve Bank to sanction more private banks shows that the government is not ready to learn lesson from the current global financial crisis. It is the Banks and Insurance companies collapsed first in the so-called developed countries which led the global meltdown.

The reluctance of the government to enhance the Security Transaction Tax, Capital Gain Tax, Wealth Tax and Corporate Tax indicates that the government is under the penitentiary of Corporates and the Multi National Companies. The announcement for setting up more SEZs, disinvestment of PSUs and the relaxation in FDI norms are basically to satiate the interests of the Capitalists and the Multi National Corporations.

The expansion of the NREGS to the urban areas was the need of the hour. There is no concrete proposal for providing employment for the educated and skilled youngsters. It would be gibberish to consider that the NREGS will be panacea for our entire unemployment problem.

Enhancement of funds for the rural development, Bharat Nirman, setting up a social security fund for unorganised sector workers, which constitutes 93% of country's total work force, women farmer's fund and 13% rise in road development allocations are welcome steps.



(DEBABRATA BISWAS)
General Secretary