

ADDRESS TO PARLIAMENT—17 FEBRUARY 1965

Lok Sabha	—	Third Lok Sabha
Session	—	First Session of the Year
President of India	—	Dr. S. Radhakrishnan
Vice-President of India	—	Dr. Zakir Husain
Prime Minister of India	—	Shri Lal Bahadur Shastri
Speaker, Lok Sabha	—	Sardar Hukam Singh

MEMBERS OF PARLIAMENT,

I welcome you once again to your labours in a new session of Parliament.

During the year which has just ended the nation went through its severest trial in recent years when the people lost their beloved leader Shri Jawaharlal Nehru, their friend, philosopher and guide. There were other stresses and strains also. We were greatly distressed by the serious loss of life and property unfortunately caused in South India by unprecedented cyclonic conditions. Relief measures were promptly taken. Some of our difficulties continue and we have to face them with courage and determination. At the same time the country has made significant progress in many directions.

Looking back on the past twelve months, notice can be taken of several achievements which should inspire hope and confidence. National income had increased at the rate of only 2.5 per cent per annum during the first two years of the Third Plan. In 1963-64, with an increase of 9.2 per cent in industrial output, the figure rose to 4.3 per cent. An increase of about 8 per cent in industrial production is expected during the current year.

Many public sector undertakings in which heavy investments have been made during the Third Plan, have commenced production. They include the Heavy Engineering Plant at Ranchi, the Mining Machinery Plant at Durgapur, the Refinery at Barauni and the Machine Tool Factories at Pinjore and Kalamasseri. Although production in some of these establishments is still at a pilot stage, we can look forward to a steady increase in their contribution to our economic development in the years to come.

In power and transport, the country has been making steady progress. The number of electrified villages has gone up from 4,000 at the beginning

of the First Plan to nearly 40,000. Power generation by the end of the Third Plan is expected to amount to 11.7 million K.W. as against 5.6 million K.W. at the end of the Second Plan. Shipping tonnage at about 1.4 million GRT has already exceeded the Third Plan target. Railways have adequate capacity to meet our current needs and further development is in progress.

New oil discoveries were made in Gujarat and Assam and India has secured rights of exploration in the offshore islands of Iran. New and workable deposits of uranium have been found and our reserves of uranium are substantial. A Plutonium Plant, entirely designed and built by the scientists and engineers of the Trombay Establishment is now in operation. The construction of Atomic Power Stations at Tarapur and Rana Partap Sagar has commenced. The use of atomic energy for peaceful purposes will steadily expand in the future based increasingly on indigenous supplies, technology and research.

Another significant feature has been the greater availability of certain consumer goods of interest to the common man. The production of mill-made cloth alone rose by another 210 million metres in 1964.

As you are aware the production of foodgrains did not show any appreciable increase during the three preceding years. In a number of States the availability of foodgrains became inadequate and there were periods of deep anxiety. To meet the situation the import of foodgrains was increased and other measures were taken to ensure as equitable a distribution of the available supplies as possible. There has recently been some easing of the situation and food prices have registered some decrease. Government are keeping a close watch on the situation and they propose shortly to review the food distribution policy.

Apart from the measures adopted to deal with the food problem that emerged in recent months, a long term policy of increasing food production has been adopted. A number of steps have already been taken and some are in the process of implementation. The farmer has been assured of minimum prices which have been fixed at economic levels and an Agricultural Prices Commission has been set up to keep the situation under constant review. Special attention is being given to the timely supply of fertilizers and other requirements to the farmer. Quick maturing minor irrigation schemes will be implemented on a priority basis.

We are beginning this year with the biggest *Kharif* harvest on record. The *Rabi* crop also is expected to be appreciably better than in previous years. With these favourable trends and the efforts being made to increase production, our Government are taking all possible steps to achieve long term stability in agricultural prices to guard against all eventualities however, a programme of building up buffer stocks in the country out of domestic production and imports has been formulated. The Food Corporation, which

has been set up in the public sector will help to ensure orderly marketing and check anti-social trends in the trading community.

In the industrial sector, although our past record is an impressive one, a fresh momentum is required. This is necessary not only in the interest of stability of prices, but even more for accelerated growth.

While higher production is the best answer to the threat of inflation, the monetary pressures on the price level and on our external payments cannot be ignored. Part of this pressure comes from unaccounted and undisclosed money. Stringent measures are being taken to unearth such money and there can be no relenting in this effort. At the same time, those who are prepared to mend their ways and make a full disclosure of their illegal earnings, should be encouraged to do so.

Further, our Government have already announced that there will be no more deficit financing. This will necessitate curtailment of public expenditure. The expansion of bank credits will also have to be kept in check. A tighter monetary discipline is essential not only to achieve stability of prices but also to secure a better balance between our imports and exports.

In recent months, Government have had to make substantially large repayments of loans and interest and also to pay large amounts for imports. This has led to a decline in our reserves of foreign exchange despite an increase of nearly 50 crore of rupees in our export earnings during 1964, Measures for remedying the situation are being considered by Government.

We are now engaged in the formulation of the country's Fourth Five Year Plan. This will be a crucial task. It will cover a vital period. A memorandum on the Plan has been considered by the National Development Council and has been laid on the Table of Parliament. The most important objective of the Fourth Five Year Plan would be a substantially higher rate of growth with the most effective utilisation of resources. For this task, the Government propose to strengthen the machinery of planning. Emphasis in the Plan will be on agriculture, a balanced development of heavy and other industries, creation of large employment opportunities, advancement of the rural sector and narrowing down of social and economic disparities. Special attention is proposed to be given to schemes which will mature quickly. We have to aim at a minimum level of living for every family in this vast country. The implementation of such a Plan will need a dedicated and sacrificial response from all sections of society. I am sure such a response will be forthcoming under your guidance.

Public sector projects will be implemented with greater speed and they will be designed to give quick returns to the community in the shape of production and profits. Advance action in respect of many Fourth Plan

projects will be taken in the course of this year. To meet shortages in the supply of cement, a Corporation for the production of cement has been set up in the public sector. The role of the private sector in the Fourth Plan will also be important. It will be Government's endeavour to provide reasonable facilities to the private sector to enable it to fulfil its assigned role efficiently and effectively.

The importance of accelerating the rate of growth in both agriculture and industry is heavily underlined by the increase in our population. Between 1951 and 1961, the population of the country increased from 360 million to 440 million. At the present rate of growth the population will be 490 million by the end of the Third Plan and 550 million by the end of the Fourth Plan. Family Planning has become an urgent necessity for the nation. An integrated family planning service involving family planning and maternity and child welfare measures has been evolved. About 12,000 Family Planning Centres have already been set up.

Sound planning is extremely important. It is, however, the result that matters so far as the common man is concerned and results can be obtained in a satisfactory manner only if the administrative machinery for the implementation of plans and policies functions with efficiency, speed and integrity. Improvement of the administrative machinery will, therefore, be one of the principal objectives of Government's endeavours.

The Government are conscious of the need to expand and improve the social services, particularly for the Scheduled Castes and Scheduled Tribes. An Educational Commission has been set up to advise the Government on the national pattern of education at different stages. Steps are being taken to expand the housing programme through allotment of more funds and by co-ordinated action for which Housing Boards are being set up. It is also proposed to make land available at reasonable rates to lower income groups.

Our Government attach the greatest importance to the maintenance of industrial peace through the code of discipline and through the various instruments of negotiation, conciliation and adjudication which exist. Fullest attention is also being paid to measures to promote labour welfare by setting up new Wage Boards for industries and deciding on the recommendations of the Bonus Commission, and by the establishment of consumer co-operatives and fair price shops in industrial establishments and the expansion of the workers' education programme. It is unfortunate that industrial relations in certain sectors during 1964 were somewhat disturbed. It is our Government's earnest hope that both employers and employees will recognise the supreme importance of maximising output by working together with a sense of national purpose.

We are greatly distressed by the events in South India. We deplore the acts of violence which have occurred and extend our deep sympathy to

those who have suffered. Doubts about the language issue seem to have agitated the minds of the people there. We wish to state categorically that the assurances given by the late Shri Jawaharlal Nehru and re-affirmed by our Prime Minister will be carried out without qualification and reservation. This is essential for the unity of the country. While Hindi is the official language of the Union, English will continue to be an associate official language. This will continue as long as the non-Hindi speaking people require it. We earnestly hope that this will allay the apprehensions of the people and lead them to return to their normal work. Members of Parliament will no doubt consider this whole policy which has been affirmed and re-affirmed often, in all its aspects, legal, administrative and executive. The Chief Ministers will be meeting at an early date to consider the situation.

The Chinese threat on our northern borders continues unabated. To strengthen our defences, a Five-Year Defence Plan covering the years 1964 to 1969 is being implemented. New Divisions are being raised and equipped according to schedule. The output of Ordnance Factories last year was nearly double of what it was three years ago. Our Air Force is being expanded to provide better protection against hostile air attacks and ground and logistical support to our troops. Steps to strengthen our Naval defences have also been initiated.

The increase in defence expenditure imposes an additional burden on the community and diverts our resources from development. We are not engaged in an arms race with any country. At the same time, we are determined to be strong enough to repel any attack on our borders.

The explosion of a nuclear device by China has shocked peace-loving people all over the world. Another explosion in China may not be far off. We have decided that despite this development, we shall not embark on the manufacture of atomic weapons. We shall, instead, continue to strive for international understanding which will eliminate the threat of nuclear war.

Our relations with countries near and far, large and small, in the East and in the West, continue to be friendly. Only China continues to adopt a hostile attitude. There has also been unfortunately no improvement in our relations with Pakistan.

Non-alignment and co-existence remain the essential planks of our foreign policy. We have always firmly believed that peace is essential for the progress of mankind. It is even more necessary for the developing nations of the world who have to tackle enormous problems. For these reasons and because of our natural interest in our neighbourhood, we have felt greatly concerned over the recent events in South-East Asia. Our Government have suggested that a Geneva type conference should be held early, to arrest the dangerous trends which have been developing in Vietnam,

in particular, so that a political solution to the problem can be found. We are also in touch with friendly countries in regard to this matter.

The election of Mr. Harold Wilson as the Prime Minister of the United Kingdom, of Mr. Kosygin as the Chairman of the Council of Ministers of the U.S.S.R. and of Mr. Johnson as the President of the U.S.A. have been significant events. All the three leaders are old friends of India. For the first time, a French Prime Minister has visited India and understanding between the two countries has grown as a result. The visits to our country of the Prime Minister of Ceylon*, the Chairman of the Revolutionary Council of Burma[§], the King of Bhutan. Their Majesties the King and Queen and the Foreign Minister of Nepal bear testimony to the growth of friendship between India and her neighbours. We have also had the privilege of welcoming Their Majesties the King and Queen of Belgium, the President of the Republic of Iraq, the President of the Supreme Council for the Armed Forces of the Republic of Sudan, the President of Finland, the Prime Minister of Singapore, the Crown Prince and Prime Minister of Kuwait and the Premier of Mauritius.

Special mention has also to be made of the visit of His Holiness Pope Paul VI who came to Bombay[®] in December 1964 to participate in the Eucharistic Congress. In the spirit of our traditions, people belonging to all religions gave him a rousing reception during his short stay in the country.

As a nation fundamentally opposed to colonialism, we have rejoiced in the emergence of Malawi, Malta, and Zambia as sovereign countries. Tomorrow, the Gambia will be a welcome addition to this list.

During the past year, I paid State visits to the U.S.S.R. and Eire. The warm reception I had in both these countries was an ample tribute to the goodwill that exists for India and her people in these countries.

The Prime Minister led the Indian delegation to the Conference of non-aligned Nations at Cairo. A fundamental unity and similarity of approach manifested itself in the Conference and gave overwhelming evidence of the continuing validity and relevance of the policy of non-alignment.

Twenty-two Bills are already before the Parliament for your consideration. Among the new Bills which the Government propose to introduce during the year, are the following:

- (1) The Payment of Bonus Bill.
- (2) The Factories (Amendment) Bill.

* Now known as Sri Lanka.

§ Now known as Myanmar.

® Now known as Mumbai.

- (3) The Import and Export Control (Amendment) Bill.
- (4) The Indian Tariff (Amendment) Bill.
- (5) The All-India Handloom Board Bill.
- (6) The Seamen's Provident Fund Bill.
- (7) The Rice Milling Industry (Regulation) Amendment Bill.
- (8) The Patents Bill.
- (9) The Income Tax (Amendment) Bill.

A statement of the estimated receipts and expenditure of the Government of India for the financial year 1965-66 will be laid before you.

Members of Parliament, you have a full and strenuous programme ahead of you. The development of a prosperous socialist society and the expansion of friendly co-operation with other nations of the world remain the basis of our policies. Our objectives are known and our goals are clear. To their attainment you have to guide the nation with unflinching faith and firm resolve.