

confined to the time allotment to Shri Nath Pai's Bill. But they have raised other issues. As you have seen, one is as important as the other. I do not think any one of the matters mentioned is less important than the other. It is a question of finding time.

Take, for instance, the matter referred to by Shri P. V. Shastri. We had said in that meeting that we have no objection to discuss it, but it is again a question of finding time. Similarly the Report of the Committee on Defections. There is a Government Motion on it. We are also anxious about it. But it is a question of finding time. You know yesterday in the Business Advisory Committee how much we had to stretch to find time.

SHRI M. L. SONDHY : For Ladakh you could find one hour.

SHRI RAGHU RAMAIAH : In regard to some of these matters, we are also anxious to discuss them. It is for the Business Advisory Committee. If they could find time, we have no objection.

SHRI NATH PAI : This is serious. We are not obstructionist. The Leader of the House is present here. You had mentioned about the Succession matter. Do they intend to accept my Bill regarding succession or do they intend to bring their own Bill? I say this because we should not be taken by surprise.

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : I thought you had already said that the Government in the Home Ministry would bring it forward. I cannot say now in what form it will be.

SHRI BAKAR ALI MIRZA : For a whole month, we have been pressing for a discussion after the statement made by the Prime Minister and the commitment made by the Speaker. This is in regard to the Telengana matter.

SHRI RAGHU RAMAIAH : All the other matters also have been pending for more than a month. It is a question of finding time.

SHRI S. KANDAPPAN (Mettur) : That is not an excuse for not bringing it up for discussion.

SHRIMATI INDIRA GANDHI : I would only say that I would support what the hon. Speaker has said. He has said that members have made their points and the Minister has noted them. I do not think any useful purpose would be served by repeating them.

MR. SPEAKER : Let us see.

SHRI S. M. BANERJEE rose—

MR. SPEAKER : No. I am on my legs. We shall take up the next item.

— — —

12.47 hrs.

MOTION RE : FOURTH FIVE YEAR PLAN—DRAFT.

MR. SPEAKER : We shall now take up the Motion concerning the Fourth Five Year Plan-Draft. Seven hours have been allotted to it. Yesterday we discussed the allotment of time for this. We could find this much of time. Shri Nambiar wanted two more hours. But it was with great difficulty we could find this much time even for the Plan discussion. Let us make it effective. If it has to be extended by half an hour or 45 minutes by way of marginal adjustment, that could be done, but there cannot be very much extension of it.

The Prime Minister.

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY AND MINISTER OF PLANNING (SHRIMATI INDIRA GANDHI) : I beg to move :

"That the 'Fourth Five Year Plan 1969-74—Draft' laid on the Table of the House on the 21st April 1967, be taken into consideration".

I should like to express my pleasure in initiating this debate on the Plan and in seeking the views of hon. members, and through them, of the public on the Fourth Five Year Plan on which we have just embarked at the beginning of last month.

[Shrimati Indira Gandhi]

It is now 18 years since we set out to promote economic development on a planned basis against tremendous odds. Planning has thus come of age and it is accepted by our people as a regular and normal feature in the economic life of the country, even as freedom of speech and free elections have been absorbed as normal elements in our political life.

When some critics have said that there is at present lack of enthusiasm about the plan, I think they are apt to overlook this aspect. It is natural that when planning was new, there should have been great excitement over it, in the whole country and amongst the people at large. But today the people have come to accept the plan as an integral part of our development; they have come to accept that it is part of the new economic order which we are trying to build in our country.

Thus every Plan now is just another milestone in our long and arduous journey towards a better life for our people. We have undertaken planned development within a democratic framework. Debate and discussion on the objectives of the Plan, its priorities, its achievements and, of course, its shortfalls also are, therefore, part of the very process of planning. These discussions, sometimes of an acrimonious nature, may seem to hold up decisions, and and even blur our objectives; but they are part of our set-up, and it is through these discussions that we can secure the commitment of the people to the goals envisaged in the Plan and evoke the necessary enthusiasm and the hard and sustained effort, without which no plan, however well-conceived or technically good, could possibly produce results. Government, therefore, attach great importance and value to the discussions on the Fourth Plan. We give the greatest importance to Parliament's part in shaping public opinion and in mobilising the support of the people for the success of the Plan.

We are again in a position to look forward to economic progress on the basis of an integrated plan. The difficulties and tribulations through which the country has passed, the shadow of war, the tragedy of drought and the fall in agricultural production, the need to divert larger resources to defence so that we are in a better state of

preparedness against the growing areas of tensions in different parts of the world—all these have to be borne in mind in any fair assessment of the progress we have made.

We may not have been able to achieve all that we had visualised. There may have been many failings—I have myself admitted to them—in implementation of the Plan, in certain decisions which we had taken. We should certainly point out all these deficiencies, both in the formulation and in the implementation of the plans, and do our very best to ensure that they do not recur. But I do feel that we do not serve the cause of economic progress on a planned basis if we keep on harping all the time only on the short-falls, ignoring the substantial progress that has been registered in several fields in the last 18 years, and without recognising that even this measure of progress would not have been possible had we not opted for disciplined progress through economic planning.

I had referred the other day to certain highlights of progress and achievement in these last 18 years.

We have to realise that with regard to food production, it has gone up from 51 million tons in 1950-51 to 96 million tons in 1967-68, that is, over 98 per cent. We do realise that it is still vulnerable to the vagries of the monsoon. But the point which I should like to make is that both the high points and the lowest points have been on a higher plane from Plan to Plan. This order of increase in food production has not come about on its own; it is the direct result of the steady increase in irrigation facilities, greater availability of chemical fertilizers, increased coverage with improved seeds, plant protection measures which have been undertaken, as part of the plan. To give an instance, in 1951 when we started planned economic progress only one-sixth of the usable surface water was being utilized for irrigation and by the end of the Third Plan it had been stepped up to nearly one-third of the total availability. When the programmes embodied in the Fourth Plan are implemented, utilization will have increased to about 46 per cent of the usable flow.

There has been a qualitative change in-

the industrial structure as witnessed by the development of our basic and heavy industries and I had enumerated some of these points the other day; I shall not go into them again. In the field of social services also, progress has been considerable. This has been mentioned by the different Ministers on the floor of the House from time to time.

There has been much talk here and outside on what is called 'plan holiday' I have said this before and I think it needs to be repeated. There has been no holiday. Planning has been a continuous process. The Fourth Plan was scheduled to start from April 1966 but for various reasons which I have enumerated earlier arising from unprecedented drop in agricultural production due to drought, it could not become operative. But neither planning nor progress came to a halt. On the country the three annual plans have witnessed appreciable progress in several fields such as agricultural production, major irrigation, power generation, etc. It was during this period that we formulated and very successfully implemented our agricultural strategy. Almost as many pump sets nearly five lakhs—were installed in the last three years as were in commission at the end of the Third Plan. About Rs. 314 crores had been spent on minor irrigation programmes in the three annual plans as against only Rs. 270 crores in the entire five year period of the Third Plan Development has, therefore, not come to a halt. On the contrary it was stepped up considerably in certain chosen fields. All that has happened is that some of the assumptions on which the original plan had been framed needed to be modified and the relative priorities had to be corrected in the light of the experience which we had gained.

SHRI NATH PAI (Rajapur) : The Prime Minister may continue after lunch.

MR. SPEAKER : Then, we shall adjourn for lunch now.

13.00 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock.

The Lok Sabha reassembled after Lunch at four minutes past Fourteen of the Clock.

[Mr. Deputy-Speaker in the Chair]

MOTION RE. FOURTH FIVE YEAR PLAN—DRAFT.—contd.

श्री कंबर लाल गुप्त (दिल्ली सदर) :
उपाध्यक्ष जी, इस से पहले कि प्रधान मंत्री कुछ कहें मैं एक घटना की तरफ आपका ध्यान दिलाना चाहता हूँ। डा० जाकिर हुसैन की शव यात्रा के समय इजराइल के ट्रेड कार्डसिल को इजरायल की सरकार ने कहा था. (व्यवधान).....**

MR. DEPUTY-SPEAKER : No, no. Nothing to be recorded.

श्री शिव नारायण (बस्ती) : यह डेली रुटीन हो गया है। (व्यवधान)

श्री रणधीर सिंह (रोहतक) : गुप्ता जी, आप बैठिये। प्राइम मिनिस्टर की स्पीच के बाद (व्यवधान)

SHRI M. R. MASANI (Rajkot) : A Calling Attention Notice was to come up for tomorrow but it was rejected. It should not have been rejected.

MR. DEPUTY-SPEAKER : But this is not the time.

SEVERAL HON. MEMBERS rose—
(Interruptions).

MR. DEPUTY-SPEAKER : The hon. member may write to the Speaker. It was the decision of the Speaker. The Speaker has over-ruled it nor the Leader of the House can say anything in this matter.

SHRI M. R. MASANI : The Prime Minister may be requested to accept the calling attention notice.

SHRIMATI INDIRA GANDHI : The House knows that acceptance or otherwise of a calling attention notice is entirely in the hands of the Speaker. Government does not come into the picture.

SHRI M. R. MASANI : The Government can accept a short notice question.

MR. DEPUTY-SPEAKER : Mr. Gupta can take it up privately and then we shall see. On this occasion, I request him to resume his seat.

SHRIMATI INDIRA GANDHI : Sir, when we adjourned for lunch, the hon. member said that I should talk about the present plan, because so far I was giving some of the background.

We all know that the greatest need today is to increase the tempo of development and this is the only answer to the present problems which are confronting us and which have been mentioned here so many times—unemployment, under-employment, unutilised capacity in industry, development of backward areas and backward sections of the community. We must increase the outlays on development, taking care at the same time that there is reasonable stability in price level; One of the main features of the proposed fourth plan is growth with stability. Stability is sought to be ensured through increase in agricultural production of 5 per cent, per year and through the building up of bufferstocks.

This plan throughout lays emphasis on self-reliance. This is reflected in the complete cessation of import of foodgrains on concessional terms by the end of two years and reduction in net foreign aid by the end of the Fourth Plan to half the present level. Net foreign aid constituted 25 per cent of the total investment in the third plan, whereas it will account for only 8 per cent in the proposed investment in the fourth plan. This is also reflected in the importance which we attach to the development of indigenous effort in design and consultancy organisation. There is no retreat from our objective in this new plan, because the aim now, as in the past, is development accompanied by social justice. This can be brought about through rapid growth, because without economic growth of the order which we envisage in the plan, it will not be possible to make an impact on the problems of poverty or even to ensure greater social justice. Social justice obviously demands an increase in the standards of consumption of the poorer sections of the community and this in turn calls for an increase in the availability of

foodgrains, cloth and other essentials. This is what the plan proposes to do.

There is increase in the public expenditure on education, health and social services, and this is one of the most effective instruments which are open in a democratic system to improve the productivity and earning capacity of the less privileged sections.

The Plan seeks to ensure a reasonable rate of growth for public expenditure under the various heads. Our aim in fact is to mobilise larger resources and, if possible, to further increase the levels of expenditure on these social services.

Priority is naturally given to agricultural because our whole development, even industrial development, is to a large extent dependent on what happens in the agricultural sphere. The other day I mentioned that it would not be right to take only the sum which is mentioned in the Plan under the heading "Agriculture, Community Development and Cooperation" viz Rs. 2217.5 crores. It would not be fair to take this as the total investment on agriculture since there are allocations under other heads which will directly benefit agricultural production. At that time I had not given the figures. The figures broadly are: irrigation: Rs. 963.8 crores; rural electrification: Rs. 363 crores; village and small-scale industries: Rs. 36.25 crores; tractors, fertilisers or industries and minerals: Rs. 854.5 crores and transport and communications: Rs. 100 crores. There are various other small items and the total of this amount, apart from that under the heading of "Agriculture, Community Development and Cooperation" is Rs. 4606 crores—that is, roughly one-third.

SHRI R. K. AMIN (Dhandhuka) : Would you give similar figures for the Third Plan and Second Plan so that we can compare?

SHRIMATI INDIRA GANDHI : I do not have them here.

श्री प्रेम चन्द वर्मा (हमीरपुर) : सेकेंड प्लान और थर्ड प्लान की फीगर्स बह संसद की लाइब्रेरी से जाकर ले सकते हैं।

SHRIMATI INDIRA GANDHI : Na-

turally they are all available and you can get them in the Library of the House.

SHRI R. K. AMIN : May we know at least the percentage of the total ?

SHRIMATI INDIRA GANDHI : In the present Plan I think it is 32 per cent of the outlay in the public sector. About the last Plans I am afraid I do not remember the figures.

SHRI M. R. MASANI : Will the Prime Minister give the figures while she replies to the debate ?

SHRIMATI INDIRA GANDHI : You can easily look them up.

SHRI M. R. MASANI : These are hidden figures which she has disclosed now about the Fourth Plan. It is for the Planning Commission to say how much were the hidden inputs in agriculture in the last Plan.

SHRI RANGA (Srikakulam) : These also we cannot be quite sure. She now says it is Rs. 4000 crores. At another time she said it is Rs. 2217 crores.

SHRIMATI INDIRA GANDHI : Rs. 2217.5 crores is the sum provided directly under the heading "Agriculture, Community Development and Cooperation". These are provisions made under other heads which directly benefit agriculture.

श्री शशि भूषण (सारगोन) : उपाध्यक्ष महोदय, इस तरह से भाषण के बीच में प्रश्न और टोकाटाकी आदि न की जाय। भाषण की समाप्ति पर आपकी अनुमति से प्रश्न क्रिये जा सकते हैं।

SHRIMATI INDIRA GANDHI : I think so.

In the agricultural sector it is most important to take certain steps and certain policies have been laid down in the Plan document. For instance it is necessary to implement more effectively tenancy laws, to fix minimum wages of agricultural labour, to re-orient credit policies of cooperatives in favour of small farmers. In the industrial field, for, we have to promote a policy

of wider diffusion of entrepreneurship, and the policy of financial institutions like LIC, IDBI IFC etc., should be refashioned so as to promote these objectives. Something has already been done about the policies of financial institutions, but we are giving another look.

Important as agricultural production is, it cannot obviously constitute the whole of our developmental strategy. We have therefore sought balanced development laying emphasis also on industrial development. The bulk of our educated manpower can find employment only in the non-farm sector. Since the commencement of the Second Plan, we have laid stress on broadening and strengthening our industrial development with a leading role for the public sector. We feel that the public sector alone can make investments of the kind needed in building up capacities in basic industries such as steel machine-building petro-chemicals, etc. The allocation for the public sector is about Rs. 14,400 crores and for the private sector, Rs. 10,000 crores. A closer scrutiny of the scale of the investment in the private and public sectors under different heads of development will show that a good deal of the investment of Rs. 10,000 crores for the private sector is under heads such as agriculture, housing, road transport, etc. and relates to individually small but collectively large investments in items such as land development sinking of tube wells, procurement of trucks, construction of houses, etc.

As a result of investments already made the public sector occupies a commanding position in basic industries which I have mentioned earlier. Throughout the Plan emphasis is laid on the common man, weaker sections and the least privileged. It is laid down that planning should result in greater equality in income and wealth, that there should be progressive reduction of concentration of income, wealth and economic power and that the benefits of development should accrue more and more to the relatively less privileged classes of society and in particular special attention should be given to promoting economic, educational and other interests of the Scheduled Castes and Scheduled Tribes. We have certain institutional constraints in giving effect to these policies. One of them is that the whole strategy of growth

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has to be within the existing constitutional frame work with its stress on Fundamental Rights and the rule of law. While we give the fullest opportunity for private enterprise we have to have a certain amount of social regulation and control. We seek to give a larger role to the public sector in fields of vital concern to the national economy.

Earlier on I was speaking about employment. Rural employment is helped by our agricultural programmes and as agricultural production goes up there will be more opportunities for employment in the rural areas. Thus extension of irrigation, increase in the area under multiple cropping etc. can provide more remunerative employment around the year in the rural areas. Larger investments in industry and in sectors such as transport can also absorb many educated young persons. To the extent we augment our agricultural production and other production, we shall be able to step up the rate of investment without generating inflationary pressures.

Whichever way you look at it, whether from the point of view of increasing agricultural production and meeting the minimum food requirements of our people or of enlarging opportunities for employment, it is necessary to aim at least at the minimum level of investment which is contemplated in the Plan.

If we have to fulfil a Plan of this order and, at the same time, to reduce our dependence on foreign aid, there is no escape from the mobilisation of resources. All this means is that amidst present difficulties we do not overlook the needs of the future. The responsibility for more mobilisation of resources has to be shared by the Centre and the States. Each layers in our federal set up has a part to play and it is the States which are responsible for development in the crucial sectors, such as, agriculture, irrigation, Power, social services, etc. Any reluctance on their part to raise resources will therefore, impair the tempo of development.

Practically, every State has demanded a bigger Plan and, as I have said earlier, we realise that their demand, taking in view their needs, is perfectly reasonable. However, the desire for larger plans has to be backed by the determination to raise

additional resources. An aspect of mobilisation of resources which has been specially stressed is that users of public utility services of power, irrigation and transport should pay for such services so that the benefits of the services could be extended and expanded to other areas and other sections of the people.

There has been a great deal of controversy here about Centre-States relations as regards planning. The Fourth Plan breaks new ground in this regard because it assures reasonable freedom to the States in formulating programmes with reference to their special problems and needs. The Central assistance has been determined on objective criteria and the size of the State Plans will now depend entirely on the resources which they have. There is no conflict of interest between the Centre and the States in regard to this matter.

The other question is that of regional imbalance in economic development. Now, we know that there are certain areas in our country and, specially, those near the port towns, which had the benefit of what is called momentum of the start; that is, they were the first to feel the impact of modern science, and to build up public utility services, water supply, technical education, banking and other financial services and so on. So, they had a lead of a few decades over the rest of the country in the process of development. It is not possible to correct all this imbalance within the span of one Plan. But, I think, in this Fourth Plan, a bold beginning has been made. The House knows that 10 per cent of Central assistance has been earmarked exclusively for the six backward States and another 10 per cent reserve has to be distributed with reference to special problems of the States. It has been said that this formula does not provide adequate resources for meeting all the needs of backward States. It may be so. In the recent meeting of the National Development Council, we proposed that a fresh look could be given to the resource position after the award of the Finance Commission becomes available. It would then be seen to what extent we can provide a little more to some backward States so as to enable them to have larger Plans.

Apart from the Central assistance for

State Plans, we have also to keep in mind the need to promote balanced regional development in taking decision on the location of major industrial projects. Certain projects must necessarily be located in particular places with reference to techno-economic and other considerations which is availability of raw materials, cost of transport, etc. - But wherever there is any room for exercise of discretion in regard to location of projects, the Government have generally exercised it in favour of backward States.

In regard to private projects also, the question as to how far the location decisions could be influenced through licensing policies and policies of financial institutions has been studied in some depth by the Wanchoo Committee. The Government of India will pursue action on that report as soon as the Chief Ministers have considered the report and given their views on it.

As the hon. Members know, there are backward areas in every State and it is now left to the State Governments to identify such areas and to frame suitable programmes for their accelerated development within the frame work of their Plans.

Now some States which were formerly regarded as economically backward have through special efforts advanced with a faster rate and reduced the gap between themselves and the advanced States.

AN HON. MEMBER : For example ?

SHRIMATI INDIRA GANDHI : Gujarat, Himachal Pradesh, Punjab and Tamil Nadu.

AN HON. MEMBER : Maharashtra ?

SHRIMATI INDIRA GANDHI : Maharashtra is not counted as a backward State.

As I said earlier each State has regions which are economically backward.

As I said the size of the State Plan will depend entirely on the resources which the States themselves can mobilise and the Central assistance will be related in the form of block loans and grants under broad heads of development and there will now be no itemised control. There will, therefore, be no basis for the appre-

hensions that the State Governments will have to conform to certain standards fixed by the Central Ministries and Planning Commission. In these and in many other respects the Fourth Plan does break new ground. The Plan is, as I said on an earlier occasion, a national plan.

SHRI RANGA : Question.

SHRIMATI INDIRA GANDHI : It is a national plan by its very nature because the entire nation is concerned. The plan is made up of the plans made by the States. As I said last time, even the money which the Central Government gives is mostly for projects and schemes to be implemented in the States. Therefore, the extent of our success depends on our ability and capacity to pull together whether it is the Centre and the States, whether it is the public or the private sector and whether it is one kind of political Party or another. There must be maximum commitment to the minimum needs which have been laid down in the Plan. Without that we cannot build the base which is so necessary, as I said, for the growth to develop which alone can solve the problem which I have earlier enumerated and which is of such great concern to the hon. Members. It is the mobilisation of the necessary resources and investment in essential programmes that we can support and strengthen the efforts of the States also. Here again I had mentioned agriculture and industry. Some of the investments in the Central plan are in such crucial fields as steel and other basic industries like ports, railways and other communications which can support and raise the level of the economy in the State.

So I welcome this opportunity of knowing the views of the hon. Members. Somebody here shouted that we do not listen to their suggestions. But it is not true. There may be suggestions which it is not possible to incorporate. There are sometimes suggestions which are quite contrary to the path which the Government is pursuing. At each stage the Plan is discussed from the very inception with the officials and the Ministers from the State so that the Planning Commission is very much in touch with the local needs. But they have to look at the larger picture of

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India as a whole because there is such a great shortage of resources that sometimes very necessary programmes have to be pruned. Many problems have been solved and many still remain to be solved. There is great increase in agricultural production in some direction, but we are fully conscious that difficult problems remain to be solved. For instance we have still to achieve a "break through" in the most important cereal which is rice.

But intensive research is going on into developing higher yielding varieties in the case of other major crops such as oilseeds, fibres and so on. Now also we have to be content with the fact that the high productivity which is made possible by some of the new developments is dependent on adequate assured irrigation which is available only in a fraction of the country's cultivated area. And, more effort and resources will be invested for finding ways of improving the productivity of rainfed agriculture and once this is done, we will be able to make significant gains.

While almost many of our farmers have taken to the new technology, there are many other areas in the country where one still needs to introduce these practices and to educate, or, rather, persuade the farmers to adopt these methods. There are also many complex and difficult problems, which inhibit growth, for instance, animal husbandry which is one of the major elements of agricultural production. The problems of excessive numbers and improving the animal nutrition and productivity call for long and painstaking effort.

It is after keeping all these things in view that various targets have been fixed.

Even if all our measures can be carried through, any attempt at pushing up the rate of overall development above a particular level may vitiate the possibility of reducing foreign aid. The Plan as now proposed, seeks to reduce the net foreign assistance by the end of the Fourth Plan, as I said, to half the present level and to eliminate it altogether in the course of the Fifth Plan.

This implies a very difficult and tremendous effort to increase exports and to expand production at all levels. Of course there is the question which I have gone

into, namely, the mobilisation of internal resources.

So, Sir, I hope, hon. Members will look at all these problems from the larger point of view of the country and the larger interests of all the people.

Sir, there is very often debate on the path which we are taking. Now, Sir, we have got to reconcile many points of view. If we want to take more of the people with us, we have to reconcile various points of various points of view. As I said on another occasion, we do not believe in controls for the sake of controls. We have already liberalised many controls. But we do think that in some sectors they are still essential; and where they are necessary in the national interest, there controls have to remain. But it is really a question of all of us, not merely looking at the Plan with a critical eye, because this is the only way of improving things, but at the same time, one must also see them not just from one's own point of view, but, as I said, from the point of view of all the other States, their difficulties, and from the point of view of other sections of the people as to what path we can take and what programmes we can make keeping in view our circumstances and the limited resources so that the Plan can be most effective.

Sir, I think, the Plan has made a very painstaking attempt to evolve these kinds of schemes and programmes. We all realise that it is far from ideal and it is far from covering or meeting all the needs of the States or areas within the States and therefore it is bound to create disappointment. We ourselves are disappointed from this point of view. But we do regard it as a very firm and bold step in the right direction so that if we are able to complete it—as I sincerely hope and I am confident that we shall be able to do it—successfully, then we shall really have strengthened our base and taken the country in the right direction. Each of the Hon. Members here represents large numbers of people in our country. I hope they will use this opportunity to bring the Plan to the people and to evoke public enthusiasm and understanding for the difficulties under which the country is...

SHRI RANGA . In which you have placed this country.

SHRIMATI INDIRA GANDHI ; That is rather a sweeping statement to make, Prof. Ranga. Certainly we do not want to absolve ourselves from the mistakes which we have made. When we take tremendous tasks in hand, we are bound to make some mistakes. Certainly, mistakes have been made and there have been short-falls. Nobody is denying them. But it is equally right not to deny the tremendous achievements in the country for which it is not the Government alone which is responsible. It is the people of India who are responsible and we should give them full credit for meeting the difficulties with great courage and for adopting new methods, new ideas, in spite of...

SHRI RANGA : In spite of new taxes.

SHRIMATI INDIRA GANDHI : ...the tremendous burden of the past which is on them.

New taxation, certainly because unfortunately there is no other way of raising the resources in our country or anywhere else. The two things go together. As we develop further, the capacity of the people to mobilise resources will also improve and the country will go ahead.

MR. DEPUTY-SPEAKER : Motion moved :

"That the 'Fourth Five Year Plan 1969-74—Draft' laid on the Table of the House on the 21st April, 1969, be taken into Consideration."

Hon. Members who wish to move substitute motions regarding Draft Fourth Five Year Plan may do so now.

SHRI SHIVA CHANDRA JHA (Madhubani) : I beg to move :

That for the original motion, the following be substituted, namely :—

This House, having considered the "Fourth Five Year Plan 1969-74—Draft", laid on the Table of the House on 21st April, 1969, is of opinion that—

- (a) the Plan is glaringly devoid of any scientific philosophy of Planning ;

- (b) it has not pointed out the pressing need of the nationalization of the commanding heights of the economy, such as, banks, whole-sale foreign and internal trade, steel and coal and has failed to show how the qualitative change in land-ownership be brought about ;
- (c) it has made no provision for the workers' participation in the management of the public undertakings and that the income ceilings to the ratio of one to ten be immediately put into effect ;
- (d) the P. L. 480 funds retained and used by American Embassy in India be immediately frozen ;
- (e) it has not pointed out how the full employment in the country would be brought into being ; and
- (f) it has failed to point out how the peoples participation in the Plan implementation be possible with out planning the press, in the shape of Planned Press and Party Press,' (3)

SHRI RAMAVATAR SHASTRI (Patna): I beg to move :

That for the original motion, the following be substituted, namely :—

This House, having considered the "Fourth Five Year Plan 1969-74—Draft", laid on the Table of the House on the 21st April, 1969, is of the opinion that—

- (a) the basic principles underlined in the alternative Plan drafted by the State Planning Board constituted by UF Government of Kerala be made the basis of the Fourth Plan in order to give it the shape of welfare Plan ; the points raised by the Kerala Chief Minister and West Bengal Deputy Chief Minister in the last meeting of National Development Council be included in the Fourth Plan ;
- (b) the policy of non-capitalist development be adopted after rejecting the policy of capitalist development ;
- (c) banks, basic industries, tea plantations, foreign oil companies, whole sale trade of foodgrains, be na-

[Shri Ramavatar Shastri]

tionalised to break the increasing monopoly of 75 capitalist families on country's economic life and immediate steps be taken to look into the charges and corruption alleged against Birla brothers ;

- (d) immediate drastic steps be taken to end the loot let loose by profiteers, grain speculators and hoarders in order to check the rise in prices of essential commodities ;
- (e) guarantee of need based wages, merger of D. A. with pay, neutralisation of full dearness allowance, safeguarding the Trade Union rights and scrapping off anti-strike and other repressive legal provisions in order to enable working classes of the country to take active part in the economic development works of the country be included in Plan ; and
- (f) more financial provision be made for uniform progress of Bihar, Eastern U. P. Orissa, Rajasthan, Gujarat and other backward States ; concrete and effective steps be taken to remove regional imbalance ; and basic industries be extended in the public sector in the country.' (5)

That for the original motion, the following be substituted, namely :—

"This House, having considered the "Fourth Five Year Plan 1969-74 Draft," laid on the Table of the House on the 21st April, 1969 is of the opinion that—

- (a) effective steps be taken to implement legislation regarding land reforms with a view to increase agricultural output so as to make country self-dependent in the matter of foodgrains ; to distribute free waste land and Government fallow land among agricultural labourers and poor farmers and to make available fertilizers and seeds at cheap prices and electricity be provided in villages at cheap rates ;
- (b) agricultural labourers be provided with land for cultivation and the

minimum wages be assured to them ;

- (c) effective steps be taken to remove unemployment ;
- (d) land revenue on the uneconomic holdings be abolished and slabs wise agricultural income-tax be introduced ;
- (e) funds allocated for the public sector in the Plan be increased and those allocated for the private sector be reduced ; and
- (f) funds allocated in the Plan for irrigation, social welfare education, electricity, agriculture foodgrains, development of industries, development of roads and highways, house-building, water supply schemes, development of backward classes and labour welfare be increased'. (6)

SHRI SHRI CHAND GOYAL (Chandigarh) : I beg to move :

That for the original motion, the following be substituted, namely :—

This House, having considered the "Fourth Five Year Plan 1969-74 Draft", laid on the Table of the House on the 21st April, 1969 is of the opinion that—

- (a) the plan be recast so as to make it a Swadeshi Plan, depending on indigenous resources, technique and machinery and external assistances, which brings in foreign influence over our politics and economy be completely done away with ;
- (b) the biggest of our resources, that is, the man-power, be fully utilized in formulating and implementing the Plan ; effective steps be taken to eradicate unemployment of the educated as well as uneducated and partly employed people be provided with full time employment all the year round ;
- (c) regional backwardness in the matter of economy be removed ; present disparity in income be brought down ; priority be given to agriculture and defence production ; and suitable steps be taken to de-

centralize industry and making provision for rural industrialization ;

- (d) more attention be given to private sector as compared to public sector, which is at present mis-managed and is responsible for huge financial losses to the country ;
- (e) effective steps be taken to provide drinking water in all parts of the country, where there is at present great paucity of drinking water, specially in the drought affected areas of Rajasthan, Haryana, Bihar and Andhra Pradesh ;
- (f) adequate provision be made for providing houses to all citizens of the country by means of some phased programme.' (7)

SHRI HUMAYUN KABIR (Basirhat) :

I beg to move :

That for the original motion, the following be substituted namely :—

'This House, having considered the "Fourth Five Year Plan 1969-74—Draft", laid on the Table of the House on the 21st April, 1969, is of the opinion that—

- (a) the Plan has failed to pay adequate attention to the principles enunciated in article 39 of the Constitution ; the growing linguistic, communal and regional conflicts are due mainly to the failure to implement the principles embodied in the said article ;
- (b) the tests of production and growth on the one hand and those of equitable distribution on the other can be met only by shifting the emphasis of the Plan from increase of material production to enlargement of productive employment opportunities ;
- (c) the ideal of an egalitarian society can be realised only by giving the highest priority to rural electrification, rural road construction and rural house building in order both to create greater employment opportunities and to reduce the growing disparity between rural and urban areas ;
- (d) the major emphasis in heavy and

capital goods industries should be on consolidation and full utilisation of existing capacity rather than further unbalanced expansion ;

- (e) the consumer goods industries in the cottage, small-scale and the medium sectors should be the major field of expansion during the Fourth Plan, subject to the provision of capital resources for the purposes mentioned in (c) above ; and
- (f) the Planning Commission be directed to redraft the Plan in the light of the above findings with special attention to the programmes mentioned in (c), (d) and (e) above and to resubmit the revised Plan to the Parliament by the 31st October, 1969'. (12)

SHRI M. R. MASANI : I beg to move :

That for the original motion, the following be substituted, namely :

'This House, having considered the "Fourth Five Year Plan 1969-74—Draft", laid on the Table of the House on the 21st April, 1969, disapproves of the Draft Plan for the following reasons :

- (a) the Draft Fourth Plan clearly indicates that the Government has evidently learnt nothing from the failure of the Second and Third Five Year Plans ; and the targets of the Plan are as speculative as those of the Second and the Third Plans and are as little likely to be achieved ;
- (b) undue emphasis on Heavy Industries at the cost of Agriculture continues to be a feature of the Fourth Plan ;
- (c) it ignores the fact that the high cost economy caused by inflation and the distortion caused by the "rupee countries" racket dooms the hope of exporting non-traditional commodities to disappointment ;
- (d) it concedes that, as wasteful expenditure cannot be curtailed further excessive taxation and a continuing resort to deficit finance

[Shri M. R. Masani]

will become necessary; further taxation and the diversion of the people's savings are intended to finance increased expenditure on inefficient and unprofitable governmental undertakings:

- (e) agricultural activities are threatened with institutionalisation; and
- (f) even while conceding that control and the licencing system are not functioning satisfactorily, there is no readiness to turn to the obvious alternative of decontrol and increased competition; and the Plan neglects the interest of the consumer.' (14)

SHRI CHANDRIKA PRASAD (Ballia):
I beg to move:

That for the original motion, the following be substituted, namely:—

'This House, having considered the "Fourth Five Year Plan 1969—74 Draft", laid on the Table of the House on the 21st April, 1969, is of opinion that—

- (a) no provision has been made in the Plan for fixing a ceiling on urban property, removing of disparity in income and nationalisation of banks;
- (b) no effective and concrete steps and other suitable measures have been envisaged for the implementation of the recommendations of the Patel Commission in regard to eastern districts of Uttar Pradesh to expedite the supply of electricity to villages, to extend cottage and small-scale industries and irrigation facilities and to increase employment opportunities;
- (c) no reference has been made in the Plan to provide better standard of living to the poorest person of the country and to allot due place to the cooperative societies to meet this end and to interduce crop and cattle insurance schemes;
- (d) effective steps be taken to arrest the rise in the prices of essential commodities;
- (e) land revenue on the uneconomic

holdings of the farmers in the country be abolished;

- (f) no concrete steps have been envisaged to remove the regional imbalance prevalent on large scale in the country and to make available the gains of the planning to the under-developed areas.' (15)

That for the original motion, the following be substituted, namely:—

'This House, having considered the "Fourth Five Year Plan 1969-74—Draft", laid on the Table of the House on the 31st April, 1969, is of opinion that—

- (a) Plan allocation for the social welfare be increased to Rs. 50 crores;
- (b) Plan allocation for irrigation and power be increased;
- (c) Plan allocation for education be increased to Rs. 1,000 crores;
- (d) Plan allocation for backward areas be increased; and
- (e) Plan allocation for family planning be reduced to Rs. 100 crores.' (16)

SHRI TENNETI VISWANATHAM (Visakhapatnam): What about myself?

MR. DEPUTY SPEAKER: That is not received.

SHRI TENNETI VISWANATHAM: It was given three hours before.

MR. DEPUTY SPEAKER: It was perhaps not in time.

SHRI S. KANDAPPAN (Mettur): The Plan itself was not in time.

MR. DEPUTY SPEAKER: You have given it only today.

SHRI TENNETI VISWANATHAM: Yes, at 10 o'clock. The motion was moved by one o'clock and I gave it at 10 o'clock three hours earlier. It is much faster than the Plan itself.

MR. DEPUTY SPEAKER: The time given was 3.15 yesterday. Anyway, I will waive the question of time.

SHRI TENNETI VISWANATHAM :
I crave your indulgence.

I beg to move :

That for the original motion, the following be substituted, namely :

'This House, having considered the "Fourth Five Year Plan 1969-74-Draft", laid on the Table of the House on the 21st April, 1969, is of the opinion—

- (a) that greater prominence should be given to irrigation to make India entirely self sufficient in food production and strong enough to with-stand even two successive droughts and the provisions in the Plan Draft be changed suitably ;
- (b) That provision should be made to start work with regard to the Fifth integrated steel plant at Visakhapatnam as recommended by the British American Steel for India Consortium to meet the enormous gap in the supply position in 1975-76, as envisaged by the NCAER and even the steering group appointed by the Government of India and in accordance with their recommendation a new steel plant should be set up ; and
- (c) that provision should be made for immediate steps for the expansion of Visakhapatnam Port and the Hindustan Ship Building Yard and for constructing additional port facilities in the Balacheruva area South of the Yerada Hill and the present port'. (17)

14-39 hours

RELEASE OF MEMBERS

MR. DEPUTY SPEAKER : I have to inform the House that the Speaker has received the following communication dated the 8th May, 1969 from the Superintendent, Central Jail, New Delhi :

"I have the honour to inform you that Shri C. K. Chakrapani and Shri P. Gopalan, Members, Lok Sabha, who were convicted on the 29th April, 1969 under section 188 I.P.C., have been

released on the 8th May, 1969 on expiry of their sentences".

SHRI S. KUNDU (Balasore) : The sentence was very severe. The sentence was for 10 days when the House is in session.

14.40 hours.

MOTION RE : FOURTH FIVE YEAR PLAN—DRAFT—(contd.)

SHRI M. R. MASANI (Rajkot) : I rise to speak in support of my substitute motion No. 14 which I have just moved, disapproving of the Draft Fourth Five Year Plan. But before I do that, I would like to share with the House for three or four minutes the angle and the background from which we approach the Fourth Five Year Plan. This is not normally necessary but, in view of the persistent and deliberate misrepresentation which goes on in certain quarters about the attitude of my Party towards planning, I fear I must start by repeating what our basic attitude to planning is. We are often asked 'Are you for or against planning ? That is exactly like asking a man! 'Have you stopped beating your wife ?'. It does not admit of a 'Yes' or 'No', for the simple reason that planning is an umbrella word, which cover many things, many kinds of planning. The remedy is not between planning and non-planning but between different kinds of planning. I would, therefore, read a couple of sentences from the Election Manifesto of my Party in 1967, which read as follows :

"The Swatantra Party believes in democratic planning by persuasion such as is practised in countries like France, Britain and the Scandinavian countries and is opposed to the Soviet type coercive planning which has failed so miserably here and wherever it has been tried. The Swatantra Party will dissolve the Planning Commission which has become in effect a parallel government unknown to the Constitution, which has shown the unfitness for its task and would replace it with genuinely expert advisory bodies with which agriculture, industry, labour and other interests would also be associated.