

ADDRESS TO PARLIAMENT—18 FEBRUARY 1982

Lok Sabha	—	Seventh Lok Sabha
Session	—	First Session of the Year
President of India	—	Dr. N. Sanjiva Reddy
Vice-President of India	—	Shri M. Hidayatullah
Prime Minister of India	—	Smt. Indira Gandhi
Speaker, Lok Sabha	—	Dr. Bal Ram Jakhar

HONOURABLE MEMBERS,

It gives me pleasure to welcome you to this first session of Parliament in the year 1982. I extend my best wishes to you for the successful completion of the budgetary and the legislative business ahead.

The year 1981-82 was a year of further consolidation. The rate of inflation was substantially curtailed in spite of the unfavourable international economic environment. The improvement in the performance of the infrastructure in the current year and the formulation of the revised Twenty Point Programme provide the basis for further growth along with stability and greater social justice. During April 1981—January 1982, power generation increased by 11.3 per cent, coal production by 11.2 per cent and railway goods traffic by 14.4 per cent compared to the corresponding period of the previous year. In fact, the Railways, will be achieving this year an all time high loading of over 220 million tonnes, bettering the previous best figure by over 8 million tonnes. All important industries have recorded significant increases during April 1981—January 1982, the notable examples are saleable steel (18.7 per cent), cement (15.0 per cent), nitrogenous fertilizers (51.9 per cent), crude petroleum (61.2 per cent) and petroleum products (18.4 per cent).

There are firm indications that there will be even more impressive production in these and other industries. In fertilizers, with the expected commissioning of three new plants and expansion in existing ones, production capacity, will increase from 45.75 lakh tonnes to 53 lakh tonnes of nitrogen and 12.82 lakh tonnes to 14.90 lakh tonnes of phosphate. In petroleum, the year 1981-82 may close with a total production of over 16 million tonnes of crude oil compared to 10.5 million tonnes during 1980-81. The discovery of oil in structures east of Bombay High, in the Palk Strait, in Sisodra in

Gujarat and Napamua in Assam and of gas in Baramura in Tripura and in Kudara in Gujarat is an assurance that the tempo of production will be further accelerated. Our Refinery capacity increased from 31.8 million tonnes in 1980-81 to 37.8 million tonnes in 1981-82. The production of LPG, which went up by 15 per cent in the current year, is estimated to increase further by about 40 per cent in the year ahead and will show a marked change in the demand-supply position. Production in the six integrated steel plants is expected to touch the highest ever level of 7.2 million tonnes of saleable steel, exceeding last year's production by more than a million tonnes and marking a capacity utilisation of nearly 84 per cent. In September, 1981, Government approved the proposal for the establishment of an integrated steel plant at Paradeep. This, coupled with the earlier decision to set up an integrated steel plant at Visakhapatnam, indicates Government's determination to augment existing capacities to achieve a state of self-reliance in this core sector.

In order to maintain the tempo already generated in industrial production and accelerate economic growth, the year 1982 is being observed as "Productivity Year" and we shall have an intensive drive to maximise utilisation of capacities available in all sectors of the economy.

The outlook for agricultural production in 1981-82 is encouraging. Preliminary assessment indicates that the *Kharif* foodgrains production might reach an all-time level of 79.9 million tonnes. For the year as a whole, foodgrains production is expected to exceed the previous record level of 132 million tonnes. This compares favourably with the production of 129.9 MT achieved in 1980-81, which itself was 18.4 per cent higher than in 1979-80.

The production of sugarcane, which had slumped to 129 million tonnes in 1979-80 had reached 150.5 million tonnes in 1980-81 and is expected to be between 170 and 180 million tonnes this year. The forecast for pulses this year is 12 to 13 million tonnes compared to 8.6 million tonnes in 1979-80 and 11.2 million tonnes in 1980-81. While Government have made arrangements to ensure availability of agricultural inputs in sufficient quantity and in time, the major credit for our improved agricultural performance must go to the enterprise, dedication and hard work of our farmers.

During 1980-81 an additional irrigation potential of 2.4 million hectares was created. Another 2.6 million hectares are expected to be covered during 1981-82, giving an additional coverage of 5 million hectares during these two years. Our objective is to add 3 million hectares per year during the remaining 3 years of the Sixth Plan. This will be the biggest effort by any country in bringing additional land under irrigation in one year. Government have also prepared a National Perspective Plan for Water Resources Development. A National Water Development Agency will be established to carry our investigations and formulate, in consultation with

the State Governments, a plan for the optimum development and utilisation of available waters, initially of the peninsular rivers. Two important developments during the year were the understanding on the utilisation of Narmada waters and the agreement on sharing of the surplus flows of the Ravi and Beas. I congratulate the States concerned.

A Central Land Resources Conservation and Development Commission is being constituted to provide expert guidance in formulating national policies relating to management of land resources and also coordinate activities of the State Land Use Boards. With the enforcement of the Forest (Conservation) Act, 1980, diversion of forest land which was of the order of nearly 1.5 lakh hectares per annum in the earlier years, has been controlled. As the Indian Forest Act, 1927 is not applicable uniformly in all the States, it is proposed to bring forward comprehensive legislation to replace the existing law. As part of the social forestry programme, a total number of 135 crore seedlings are expected to have been planted in 1981-82. The enactment of legislation to establish a National Bank to improve the quantity and quality of credit flows to rural areas is a significant step.

The energies of the Government continued to be focused on controlling inflation. The components of the anti-inflationary strategy were higher production, better capacity utilisation, strengthening the public distribution system, imports of essential commodities wherever necessary, fiscal and monetary discipline and curbing the activities of anti-social elements. The annual rate of inflation as measured from point to point movement in the wholesale price index has come down from 22.2 per cent as on the week ended 12 January, 1980 to 14.8 per cent as on the week ended 10 January, 1981 and further to 6.9 per cent for the week ended 9 January, 1982. During the current financial year, *i.e.* 28 March, 1981 to 23 January, 1982, the index has gone up only by 2.8 per cent which is significantly lower than the rise of 14.1 per cent in the same period last year. The number of Fair Price Shops stood at 2.98 lakhs in November, 1981 compared to 2.73 lakhs in March, 1981. There will be no slackening of vigilance in the fight against inflation.

While the present approach promises further results in the fight against inflation, far greater efforts are required to deal with the deterioration in the balance of payments situation. Owing to the sharp increase in the import prices of oil and oil products in 1980-81, the trade deficit increased to about Rs. 5,500 crores in that year compared to Rs. 2,450 crores in 1979-80. To meet the situation and to ensure continued development, Government have entered into an extended agreement with the International Monetary Fund. This agreement will enable the drawing of SDR 5 billion over the next three years.

A series of measures have been taken to promote exports, as a result of which exports are estimated to have shown an increase of 15.4 per cent during April-November, 1981. Further, as a result of the steps taken to

increase the productive capacity of the economy, the rise in the import bill during this period has decelerated to 11.4 per cent. There is reason to believe that the tendency in the last few years for the trade gap to widen will be arrested in 1981-82. Parliament also knows that an Export-Import Bank has been established to help credit availabilities for exports. High priority will continue to be given to export promotion during the coming years.

The overall rate of growth in the output of the public sector industries under the Central Government is estimated as 20 per cent in April-September 1981 over the corresponding period last year. There is scope and need for much better performance. Steps are being taken to streamline and improve the working of these enterprises through better delegation of powers, simplification of procedures and stricter enforcement of accountability.

The Government are vitally concerned with the welfare of workers, who contribute in no small measure to national production and productivity. Legislation is proposed to be introduced in the present session to amend labour laws relating to industrial disputes, trade unions and standing orders to remove procedural delays and secure speedy justice to workers. The industrial relations machinery is being strengthened and streamlined to anticipate labour problems and to take prompt ameliorative action.

The 20-Point Programme has been revised to impart greater dynamism to some key social and economic programmes included in the Sixth Plan. In broad terms, it concretises what the Sixth Plan means for us all, particularly for the weaker sections. Special emphasis is being given to programmes to assist specific target groups through the Integrated Rural Development Programme, the Scheduled Castes Component Plan and Hill and Tribal Sub-Plans, the slum improvement programme and allotment of house sites to rural families. While the thrust of the revised 20-Point Programme continues to be on providing better living conditions for the less privileged sections of the population, the programme as a whole aims at all round improvement in productivity.

The census of 1981 underlined anew the importance of population control. Government give high priority to voluntary family planning as an essential ingredient of people's well-being and national progress and have included it as part of the revised 20-Point Programme. It is our objective to bring down the birth rate to 21 and the death rate to 9 per thousand by the end of the century. I should also like to draw attention to the fact that national programmes for the control of leprosy and blindness have been intensified in furtherance of the objective of Health for All by A.D. 2,000. These two programmes are now being treated as 100 per cent centrally sponsored.

The provision of elementary education for all children, and the covering of the illiterate adult population with appropriate educational programmes is being accelerated. Government have also launched a substantial programme of non-formal education. It is proposed to revise the content of vocational education. In higher education, especially higher technological education, the emphasis will be on quality.

Considerable headway was made in space technology and communications during the year. Three Indian-made satellites were launched—Rohini, with the help of our own satellite launching vehicle, the experimental communications satellite APPLE and the earth observation Satellite Bhaskara-II. India became one of the few countries to have a domestic satellite communications network when in November 1981 with the help of INTELSAT-IV, satellite communication links were extended to remote areas in Leh in Jammu & Kashmir, Aizawal in Mizoram, Port Blair and Car Nicobar in the Andaman and Nicobar Islands, and Kavaratti in Lakshadweep. A troposcatter communication-link was established with the Soviet Union, under-sea link with Sri Lanka and a microwave link with Bangladesh. The next major event will be the launching of the multipurpose Indian National Satellite (INSAT) in April 1982 and its utilisation for meteorological capability, communications and radio and television coverage. The microwave link, with TV capability between major cities of India like Madras, Bangalore, Bombay, Delhi has already been established. The link between Delhi and Calcutta and Delhi-Srinagar will be completed by June 1982 and a large number of urban and rural areas will be covered through the satellite and the microwave system.

During the year a Science Advisory Committee to the Cabinet (SACC) was constituted. In order to lessen unemployment among science and technology personnel, Government is establishing a Science and Technology Entrepreneurship Development Board. Other major steps are the establishment of a Commission of Additional Sources of Energy which has already initiated wide-ranging programmes of research and development and demonstration all over the country on a large scale, the decision to form a National Biotechnology Board to ensure co-ordinated work in biotechnology, which has implications for agriculture, medicine and industry, and the setting up of a National Institute of Immunology in Delhi and a Plasma Physics Programme in Ahmedabad.

The Department of Environment has taken up programmes to prevent eco-destruction. It has also set up a National Eco-Development Board. The Department has introduced procedures to ensure environmental impact assessment of large projects and monitoring the implementation of environmental safeguards in such projects.

The Department of Ocean Development, which was established in July, 1981 is preparing a perspective plan of ocean development. It organised a scientific expedition to Antarctica.

The leader is back and the others will soon be returning after successful voyage of over two months. The expedition covers a wide range of scientific investigation in fields like meteorology, glaciology and oceanography.

I now turn to some problems concerning law and order. There cannot be forward movement without the assurance that national energies are not frittered away on agitations engineered by sectional interests. Government are distressed at the outrages perpetrated against members of Scheduled Caste communities at some places and are determined to ensure that all sections of the population live in safety and honour. The guilty will be firmly dealt with. The problems confronting these classes are part of the larger socio-economic problems of the country. The fullest cooperation of the public is necessary to fight against the forces of communalism and casteism, who are often in league with anti-social elements. Programmes for the integrated socio-economic development of Scheduled Castes and Scheduled Tribes and weaker sections have been intensified and much larger outlays than ever before have been provided. Their implementation will be closely monitored.

As part of their earnest efforts to find a fair and satisfactory solution to the problems of foreigners in Assam, Government held several rounds of talks with the representatives of the agitating organisations and leaders of political parties. These efforts are continuing.

The international situation has deteriorated. Military presences around us have increased. This danger should make all of us determined to safeguard national security and interests through non-alignment and the peaceful resolution of differences. We earnestly hope that the major military powers will realise the futility of confrontation and arrest the diversion of resources from development and welfare to armaments. It is regrettable that the strategic considerations of other countries should cast extra burdens on us. We cannot afford to be complacent. The nation will be called upon to make heavy sacrifices to maintain preparedness at all times to meet external challenges.

With our immediate neighbours we have continued to seek relationships of greater mutual trust and closer friendship. I have just paid useful visit to Sri Lanka, as I did earlier to Nepal and Indonesia. The King of Bhutan will soon be in our country. Our Foreign Minister visited Burma*, Vietnam and Thailand. With Bangladesh we have had a series of useful exchanges of views. Further steps have been taken to improve relations with China. Following the visit of the Chinese Foreign Minister during this year, an official delegation went to Beijing to discuss international and bilateral issues including the question of boundary and territory. As regards Pakistan, Parliament is only too well aware of the nationwide concern after that

* Now known as Myanmar.

country decided to acquire sophisticated arms and the persistent international reports about its nuclear programme. While announcing its move to go in for advanced aircraft, Pakistan also informed us of its desire to have a no-war pact, a suggestion we had put to them several times and in different forms over the years. In December 1981 we gave Pakistan an outline of the principles which might govern our discussions towards that end. This dialogue was carried forward during the recent visit of the Pakistan Foreign Minister. We reiterated our desire for peace and friendship and our stand that issues should be bilaterally resolved. We are glad that Pakistan has accepted our proposal for a Joint Commission to examine, renew and promote the entire range of relations between our two countries.

Elsewhere on our continent, tensions persist. The problem of Afghanistan and the Iran-Iraq conflict remain unresolved. The Palestinian people's rights continue to be obstructed. The Indian Ocean is far from becoming a zone of peace.

There are a few hopeful signs also, such as the renewed elan of the Non-Aligned Movement following the Conference of Foreign Ministers of Non-Aligned Countries in New Delhi last year, the initiatives of the Commonwealth countries to promote greater international co-operation, and the beginning, however tenuous, of efforts for a dialogue between developed and developing countries. The Prime Minister participated in the Commonwealth Heads of Government Meeting in Melbourne and in the International Conference on Co-operation for Development in Cancun, Mexico. Her visits during the year to Australia, Bulgaria, Fiji, France, Italy, Kuwait, Kenya, Indonesia, Philippines, Rumania, Seychelles, Switzerland, Tonga and the United Arab Emirates led to further strengthening of friendship with those countries. Since I last addressed you, we have had visits from the Heads of States or Governments of Kenya, the Federal Republic of Germany, Guinea, Tanzania, Britain, Bahrain, PDR Yemen, Zimbabwe, Nauru, Australia, Madagascar, Botswana, Ghana, Venezuela, Uganda, Spain and Sweden, all of which were useful. We look forward to the visit next week of President Nyerere and to the Conference of some developing countries. Greater co-operation among developing countries is mutually beneficial and strengthens them collectively in their dealings with the advanced countries.

In the present Session, besides dealing with pending business a large number of fresh legislative measures will come up for your consideration. Among these are:

The Land Acquisition (Amendment) Bill, 1982; and

The National Waterway Bill, 1982 to declare the Ganga between Allahabad and Haldia as a National Waterway.

Hon'ble Members, the world is passing through difficult times. Our own problems are not inconsiderable. Fortunately we are a nation imbued with a sense of purpose. Our people have also shown commendable capacity to rally together in moments of challenge. Political differences are bound to exist in a democracy which guarantees freedom of opinion and organisation. But differences should not degenerate into discord. The good of the nation is an objective for which we must learn to co-operate, transcending disputes. We have the strength and the resources to move forward speedily. The first two years of the Sixth Plan were years of consolidation. Let us now use this strength to make the next three years of the Plan, years of a march forward.

Jai Hind.