

FEBRUARY 18, 1972

Honourable Mr. Speaker and Members of the Legislative Assembly,

I have great pleasure in welcoming you all to the Fifth Session of the Fourth Kerala Legislative Assembly. I wish you success in your endeavours during the year.

2. The year 1971 is a memorable year in the annals of our country, for it witnessed the great victory of our country against the armed forces of Pakistan in defence of our independence, the liberation of Bengla Desh and the cherished ideals of democracy and secularism. Let us pay our warm tribute to the valiant armed forces of our country and the heroic Mukti Bahini of Bengla Desh, who, through their combined struggle brought this about. The great unity and solidarity displayed by the people of India during the Fourteen Day War will, I am sure, if continued, enable us to solve our pressing social and economic problems.

3. Before passing on to these problems let me take this opportunity to congratulate our boys and girls for their fine achievement in winning the National Championship in the recent National Athletic Meet in Kottayam.

4. The victory of the liberation struggle in Bengla Desh was a great blow to the forces of communalism and obscurantism and a great victory for the principles of nationalism and secularism. Unfortunately, for us in Kerala, a few days after this magnificent victory, disturbances took place in Tellicherry on the 28th of December 1971 and lasted for three days. This even is a blot on the fair name of Kerala which has maintained a reputation for communal harmony. However, it is some consolation that there was no loss of life although loot and arson took place on a considerable scale. After the arrival of re-inforcements from outside in aid of the State Police forces, the situation was brought under control. Peace Committees were set up and an assessment of the loss sustained in the shape of houses and places of worship destroyed, has been made. My Government have decided to rebuild all the educational institutions and places of worship which have been damaged or destroyed, to whichever community they belong. They have also decided, to contribute liberally towards reconstruction of houses destroyed or damaged and to assist in the rehabilitation of people who have lost their means of livelihood on account of the disturbances. Government have appointed Shri Joseph Vithyathil, Retired Judge of the Travancore-Cochin High Court under the Commission of Enquiries Act, 1952 to enquire into the causes and course of the riots.

5. These incidents point to the necessity of continued vigilance in the matter of maintaining peace and communal amity in the State. For this the Police and the administrative machinery have to be kept in trim to the fullest extent on the one hand and on the other people belonging to different communities have to be brought together by the various political parties and other peoples' organisations in the common endeavour of maintaining peace and good relations among all communities. While Government are taking all necessary steps in regard to the former, I hope the parties concerned will co-operate with it in the matter of discharging their responsibilities as regards the latter.

6. The Tellicherry incidents have also pointed out to certain defects and inadequacies in the strength, organisation and manner of deployment of police forces in the State. My Government have decided to take immediate steps to put an end to these deficiencies, so that the police force will be able to discharge its responsibilities with utmost efficiency.

7. In my address to you in March last year I took a bird's eye view of the policies and programmes which my Government intended to implement during the course of the year. Although I shall not be able to make a detailed review here of the various measures taken, I have to refer to a few important things.

8. The financial position of the State has been causing considerable anxiety to my Government. Our overdrafts with the Reserve Bank of India have gone on increasing. This situation is mainly due to the inadequate transfer of resources from the Government of India to the State under the award of the Fifth Finance Commission and the increasing repayment liability in respect of the loans received from the Government of India. The Planning Commission itself was forced to recognise in the case of our State that the financial transfers recommended by the Fifth Finance Commission did not serve even to cover up our Non-Plan gap for

the duration of the Fourth Five Year Plan, which normally a Finance Commission Award is expected to do. Therefore a stage has now been reached when the repayment liability of the State in respect of Central loans is more than the receipt of assistance from the Government of India. The net transfer of resources from the Centre to the State in 1972-1973 will be a minus and not plus.

9. In the face of these facts it is not enough for the Planning Commission and the Central Ministry of Finance to advise the State to observe financial discipline and not to resort to over-drafts, while at the same time expecting the State Government to discharge its responsibilities in the matter of providing its people with social services of a high order and opportunities for economic development. The Government of India should seriously tackle the question of the inadequacy of financial transfers to all State Governments similarly placed. All expert bodies which have studied the question of Centre-State Financial Relations, like the Administrative Reforms Committee set up by the Government of India, the Rajamannar Committee set up by the Government of Tamilnadu, etc., have highlighted this problem. The study team of the Administrative Reforms Committee had recommended the division of entire outstanding loans into two parts, viz., productive and non-productive with a view to writing off the non productive part and to re-scheduling the productive part on a realistic basis. My Government would urge upon the Government of India to accept this eminently reasonable suggestion. Unless something of this sort is done, no amount of advice or exhortation will be of any avail in the face of hard realities.

10. In the matter of implementation of Land Reforms considerable progress has been achieved. Out of 2.5 lakhs applications for the kudikidappu rights so far received nearly two-thirds have been disposed of. It is my Government's intention to complete the process of conferment of ownership rights on all the kudikidappulars in the State within the next six months. Distribution of surplus land has made a modest beginning in the Cannanore and Malappuram Districts. It is hoped that during the course of the year considerable progress will be made in the matter of distribution of surplus lands. Government have also sanctioned additional posts of Land Tribunals to accelerate the pace of implementation of the Land Reforms Act.

11. The main objective of the agricultural programme for 1972-73 would be the stepping up of food production in the State by giving the highest priority to the adoption to high yielding varieties and implementation of special schemes for intensive cultivation. The targets for rice production for 1972-73 is 16.5 lakh tonnes. The implementation of the Ela Programme has begun in 40 Elas during the year. It is proposed to start three collective farms in the State during 1972-73 as an experimental measure. In order to prevent the lands distributed under the Arable Land Distribution Scheme from being sold away by the recipients, a scheme is being prepared to organise co-operative farming on sizable plots of these lands so that the recipients may continue to stay there and cultivate the lands they have received with financial assistance rendered through co-operatives. With a view to stepping up indigenous production of cashewnut which is very essential to sustain the cashew processing industry in our State a scheme has been prepared to bring under cashew cultivation 5,000 acres of land. Government have under investigation two massive irrigation-cum-land development schemes for stepping up rice production in the State, viz., Kuttanad Development Scheme and the Trichur Kole Scheme. One of these, viz., Kuttanad Development Scheme is being cleared by the Agricultural Refinance Corporation and it is hoped that it will be possible to start implementation of the scheme during 1972-73. The Trichur Kole Scheme may take a little longer to be finalised but my Government hope that it will be possible to finalise it and start implementation during the Fourth Plan itself.

12. The Kerala Agricultural University has come into existence and has started functioning.

13. The fall in the price of agricultural commodities like coconut, rubber, cardamom etc., has been causing considerable anxiety to the State Government. My Government have brought this to the attention of the Government of India. I am happy to state that the Government of India has given us assistance by way of a loan to make direct purchase of rubber from small producers through co-operative societies. The State Government have started their purchase operations and as a result prices in the market have considerably improved.

14. The overall food position in the State during this year has been satisfactory. Distribution of 100 gms. of rice and 163 gms. of wheat continued without interruption and during festival seasons this has been raised to 200 gms. of rice.

15. My Government are giving top priority to the development of power resources of the State. One source of perpetual worry to the State was the slow progress and the frequent interruptions in the construction work of the Idikki Hydro Electric Project. I am glad to observe that because of the determined steps taken by the Government work in Idikki is progressing at a satisfactory pace and it is hoped that it will be commissioned early in 1974 as scheduled before. Incidentally, I may state that the new Idikki District has been formed on the 26th of January 1972 and thus a long cherished desire of the people in the High Ranges has been realised. I congratulate the people of this area on their success and hope that they will strive their utmost for the development of the new district. The formation of the district and the stationing of a District Collector and other authorities in Idikki will, I am sure, contribute to the maintenance of peace and stability in the area thereby making an indirect contribution to the speeding up of the construction of the Iddikki Project.

16. It goes without saying that in a State like Kerala where the density of population and the increase in the birth rate is the highest in the country, an effective and comprehensive family planning programme should receive the highest priority. Government have fully realised this and have taken several steps to put through an intensive family planning programme. A pioneer effort in this direction was initiated in Ernakulam District a few months ago. In that family planning camp more than 62000 vasectomy operations were performed. This was a record for the whole country. Following this intensive family planning programmes have been recently taken up in Trivandrum and Trichur Districts. It is hoped that the other districts will also follow the example of the above mentioned districts.

17. A fully Government-owned company with an authorised capital of Rs. One crore has been registered for setting up a factory for the manufacture of drugs and pharmaceuticals for supply in Government hospitals. The construction of this factory will be started this year.

18. Preliminary steps are proposed to be taken during 1972-73 for the establishment of an Ayurveda University in the State.

19. The State has taken remarkable strides in the execution of urban and rural water supply and drainage schemes. The comprehensive scheme of water supply in all the municipalities in the State started by us with L.I.C. loan is making good progress. The Life Insurance Corporation of India has further sanctioned loans for the extension of water supply schemes in Panchayats adjoining municipalities. Rural Water Supply Schemes in other Panchayats is being taken up by the Kerala State Rural Development Corporation which is getting loans for this and other rural development schemes from the Life Insurance Corporation of India. The Kerala Urban Development Finance Corporation has raised a debenture of Rs. 110 lakhs from banks and with this a number of development works in urban areas like construction of markets, bus-stands, etc., are being executed.

20. The activity of the State Housing Board has gathered momentum. I am glad that within a short time of its coming into existence the State Housing Board has been allowed to float a debenture of Rs. 1 crore during 1971-72 itself for implementing its schemes. The most significant programme that my Government have undertaken with the help of the Housing Development Corporation of the Government of India is one of providing free house-sites to houseless people at the rate of 100 in each panchayat. A total of 100,000 house-sites will thus be distributed in our State during the course of the year. The panchayats have been asked to take steps for acquiring 5 acres of land in each panchayat for this purpose. It is hoped that it will be possible to complete the acquisition and taking possession of and distribution of these sites to one lakh houseless people by the 1st week of May, 1972. It is proposed to take up a big programme of helping the recipients of these plots to build cheap houses for themselves with the help from Government panchayats, voluntary organisations, etc. All sections of people including panchayat members, students, government officers, youth workers, voluntary organisations etc., have evinced great interest and enthusiasm for this programme and have promised their unstinted co-operation with free labour and other contribution for implementing this scheme.

21. My Government will continue to pay special attention to the economic and educational concessions for the members of the scheduled castes and scheduled tribes. Special programmes for providing technical training and financial assistance for doctors and engineers belonging to the scheduled castes and scheduled tribes to set up practice will be introduced next year. It has been decided to set up a Harijan Development Corporation for the betterment of the members of the scheduled castes and scheduled tribes. The Thonnakkal colonisation and housing scheme is making satisfactory progress. One hundred and

eighty Harijan young men will be settled here each in a plot of two and a half acres of land and enabled to earn a living by cultivation of rubber, dairying, poultry-farming, etc. Depending upon the success of this scheme it is proposed to set up similar colonies in other districts also. Necessary legislation will be brought in to ban bonded labour.

22. The most urgent need of our State is the provision for employment opportunities not only for the thousands of young men who are coming out of schools and colleges but also to the lakhs and lakhs of young men and women in the rural areas. For this, my Government have initiated several new schemes. The crash programme for rural employment is being implemented in the State providing employment for 10,000 people. Under the scheme for educated unemployment the Government of India have given us assistance for employing 960 primary school teachers. They have also approved for assistance the scheme sponsored by the ENCOS (Engineering Technical Co-operative Society) which has either started or taken over a number of industrial units in the State. The massive employment scheme prepared by the State Government and submitted to the Planning Commission could not be cleared because of the constraints on the Central Government's resources due to the recent war and the obligation they had to assume in respect of Bengla Desh. In spite of all this we are still sponsoring an additive employment plan outside the regular Five Year Plan, for providing job opportunities to the unemployed in the State which I hope will be sanctioned by the Government of India.

23. The Government of India have sanctioned with immediate effect the scheme for converting the metre gauge railway line between Trivandrum and Ernakulam to broad gauge. The scheme involves an investment of the order of Rs. 13 crores to be completed during a period of three years. It is a scheme with large employment potential in the rural areas and will certainly contribute to the relief of un-employment in the State, besides achieving its primary object of connecting up the State capital with the northern parts of the State by easy and speedy means of communication.

24. Substantial progress has made in the acquisition of land for the National Highway. The widening of the National Highway from Walayar to Alleppey and then to Parassala upto a width of 100 feet is to be implemented within the Fourth Five Year Plan itself. The major bridges on the National Highway at Chalakudy and Neendakara will be commissioned this week and the one at Kurumali within another six months.

25. Steps are being taken for the construction of a Civil Station and Civil Lines at Malappuram.

26. Our major irrigation projects are not making the requisite progress, because of lack of funds. However, the Kuttiyadi Project will be commissioned partially in 1972-73. We have taken up anti-sea erosion work in a big way, but here again lack of funds is holding up progress. The State Government have submitted a comprehensive Rs. 40 crore scheme for anti-sea erosion for Central assistance.

27. A comprehensive forest policy is being framed by Government with a view to putting it through as soon as we get permission to work the private forests vested in Government. The aim is to preserve and develop forest resources by every means including the raising of industrial plantations necessary for catering to the needs of various industries. Such areas as can be safely deforested will be cleared and distributed among landless people for cultivation.

28. A new University of the federal type has been established at Cochin. It is expected that this University will keep close liaison with industry and give a technological orientation to research and post-graduate education. Government have also taken measures to improve the teaching of Science in Primary Schools as well as in Secondary Schools.

29. The Neendakara Port has been opened for cargo traffic. Good progress has been achieved in the construction of Vizhinjam Fisheries Harbour after the initial delays. Greater attention is being paid in the matter of providing housing and communication facilities in fishermen's villages. A phased programme for providing fishing villages with medical facilities by opening dispensaries has been drawn up and will be implemented from 1972-73.

30. In the field of Co-operation the most important achievement worth mentioning is the large number of schemes for which we have been able to secure assistance from the Agricultural Refinance Corporation. Schemes for cultivation of coconut, coffee, etc., amounting to Rs. 3.5 crores and fisheries schemes amounting

to Rs. 75 lakhs have already been sanctioned and are under execution. Government have also taken steps to rehabilitate the Whole-sale Consumer Societies which were in danger of liquidation owing to continued losses.

31. Government have received 29 Licences/Letters of Intent from the Government of India for setting up new industrial units as well as for expansion of existing units for manufacture of various items. Besides 58 Licence applications have also been recommended to the Government of India. In recognition of the importance of the Electronics Industry, Government have constituted a Committee consisting of well-known experts to advise Government on the establishment of various units.

32. The Government will in the coming years pay special attention to the following:—

- (1) The establishment of a Corporation for the manufacture of electronic components and some equipments and assistance to existing units.
- (2) The establishment of ventures for manufacturing nylon yarn for which licence has been given and of consuming industries which would convert the yarn into woven and knitted fabrics and of such petrochemical units to feed the nylon manufacturing process.
- (3) The establishment of a new tyre manufacturing unit and a rubber-based industrial belting unit.
- (4) The establishment of mechanised tannery.
- (5) The establishment of a paper and pulp unit.
- (6) The establishment of a Soda Ash unit.

33. Government have taken the initiative to set up the Kerala Industrial Technical Consultancy Organisation jointly with the Industrial Development Bank of India and other financial institutions. It is Government's intention to build up well-equipped institutional agencies to recruit and train an efficient managerial cadre. Along with the establishment of large-scale industrial units Government have also decided to organise around these units ancillary units to produce parts which would feed these large units. The question of creating a separate department for Small Scale Industries is being examined.

34. The present condition of the traditional sector of our industry which comprises handloom, coir, cashew, beedi and handicraft has been a matter of deep concern to the Government as these industries employ the weaker sections of our industrial work force. Government have taken some measures to help the handloom sector to tide over the present crisis in the industry brought about by high prices of yarn and accumulation of stock. It is hoped that Government of India will immediately find out a solution for the ever increasing price of yarn. The Kerala State Cashew Development Corporation has taken over 15 closed factories. Ten more factories will be taken over by March 1972. The authorised capital of the Corporation is being increased to Rs. 2 crores.

35. It is proposed to impose a ceiling on urban property in the coming year.

36. The following Bills to replace the Ordinances I have promulgated will be coming up for consideration during this Session:—

- (1) The Kerala Additional Tax on Entertainments and Surcharge on Show Tax (Amendment) Bill 1972.
- (2) The Kerala Stamp (Amendment) Bill, 1972.
- (3) The Kerala General Sales Tax (Amendment) Bill, 1972.
- (4) The Kerala Motor Vehicles Taxation (Amendment) Bill, 1972.
- (5) The Kerala Land Tax (Amendment) Bill, 1972.
- (6) The Kerala Agricultural University (Amendment) Bill, 1972.

37. The other important Bills which you will have to take up during the Session include, among others the following:—

- (1) The Kerala University Bill.
- (2) The Calicut University Bill.
- (3) The District Administration Bill.
- (4) The Kerala Non-agricultural Land Tax Bill.

38. May I once again wish you success in your work.