

MARCH, 12, 1971

Honourable Mr. Speaker and Members of the Legislative Assembly,

I am glad to welcome you all to this new session of the Assembly and to wish you success in your legislative activities during the year.

2. The elections to the Lok Sabha from 19 Constituencies in the State have taken place and it is a matter of great satisfaction that they have been held peacefully.

3. In my address to you in October last, I gave a broad outline of the policies of my Government in tackling the more important problems of administration that face them. I then observed that my Government would be giving top priority to the implementation of land reforms and to the solution of the problem of unemployment in the State. I laid emphasis upon these two because they appeared to me to touch upon the two most explosive problems in the country at the present moment viz., the land hunger of the landless and the anger and frustration of the millions of unemployed youth in the country. Any Government in this country which fails to take note of these problems seriously and try to tackle them is not only bound to fail but also lead the country to ruin. That was why in spite of the severe handicaps and limitations of the State Government and the immensity of the problem, my Government thought it worthwhile to give top priority to the above questions.

4. A quick study is being made of the unemployment problem in the State by a Committee of economists constituted by my Government for this purpose. The Committee has recently submitted the first part of its report. It has recommended a number of schemes to be implemented in the course of the next three years for which a total investment of Rs. 186 crores will be necessary. A major portion of this is expected to be made available from the financial institutions, but the State and Central Governments have to provide Rs. 10 crores each annually and the private sector Rs. 24 crores, the remaining Rs. 102 crores being left to the financial institutions. The main emphasis of the report is on increasing the speed of industrialisation and modernising agriculture. The special problems of backward industries and depressed areas as well as problems of special groups such as Harijans etc. have been dealt with in the report. These schemes are estimated to provide direct and continuing employment to 1.33 lakhs of people. It is also estimated that employment of about 4.5 lakhs man years will be created during the construction phase of the programmes. My Government have submitted these schemes to the Planning Commission and the Central Government.

5. Government have geared up the entire departmental machinery to the task of implementing the various provisions of the Land Reforms Act. But it was found in actual practice that several provisions of the Act required amendments so as to facilitate their implementation. These have been made by means of Ordinance. I hope that it will now be possible to complete the task of implementation of the Act speedily.

6. An Ordinance was promulgated on 20-1-1971 providing for the resumption of lands other than plantations in Kannan Devan Village in the Devicodam Taluk and the distribution of such lands for cultivation. The Supreme Court has now stayed the operation of the Ordinance, but it is hoped that we will be able to uphold the Ordinance.

7. Allied to this subject of land reforms is the question of assignment of Government lands to the landless poor. My Government are taking expeditious steps to assign about 47,000 hectares of Government land to the landless. A total extent of 16,000 hectares of forest land is being dis-reserved for assignment to the landless and of this 1,700 hectares have already been assigned.

8. My Government are going ahead with several programmes for stepping up agricultural production in the State. It is expected that by the end of the Fourth Five Year Plan we will be able to reduce our food deficit from 30% to 50%. Under the High Yielding Varieties Programme it is proposed to cover an extent of four lakhs hectares in the coming year with an expected overall production of 15.5 lakh tonnes. This programme will receive considerable impetus with the setting up of the State Farm at Aralam where a large extent of land would be earmarked for the production of seed paddy. The farm will start functioning in 1971-72. About 35,000 hectares of cultivable land will be brought under the Multiple Cropping Programme. A Seed

Processing Centre is proposed to be set up soon in order to ensure supply of good quality seeds. The scheme for the reclamation of submerged lands will be continued and new areas will be taken up for reclamation. My Government have also devoted considerable attention to the development of cash and commercial crops utilising institutional credit. Programmes have been drawn up for the development of the cultivation of coconut, coffee and cardamom utilising institutional credit. Schemes costing Rs. 294.60 lakhs have already been approved by the Agricultural Refinance Corporation. My Government intend to formulate and implement more such schemes with the assistance of the Agricultural Refinance Corporation and Agricultural Finance Corporation. A new scheme for sinking about 1,500 filter point tube wells to irrigate coconut gardens will also be taken up during the next year. The Ela Production Programme will be extended to all Districts. The Small Farmer's Development Project has started functioning in the Quilon District. It will be supplemented by the project for marginal farmers and agricultural labourers. The next District to be covered by these programmes will be the Cannanore District.

9. We have introduced aerial spraying for the first time in an area of 2,000 hectares of double crop paddy lands in Mundar-Vadayar in Vaikom Taluk. The results have been encouraging. It is proposed to extend this to Trichur Kole lands and Kuttanad next year.

10. With the elimination of middlemen's interest and absentee landlordism and with the conferment of full proprietary rights on all types of tenants as a result of the implementation of the Land Reforms Act, conditions would be more favourable for increased agricultural production. My Government would be drawing up suitable schemes in the various spheres of farm development activities for the benefit of the new class of persons who have become the owners of the land.

11. An Agricultural University will soon be established in the State for the furtherance of education and research programmes in agriculture.

12. The Plantation Corporation of Kerala has under it now an area of 3891 hectares of rubber plantation yielding a total crop of 2,900 tonnes of rubber fetching a sales revenue of Rs. 1.45 crores. The Corporation's scheme for rearing an oil palm plantation of 2000 hectares in Anchal area will be started this year by planting an area of 120 hectares for which the nursery is ready.

13. A law providing for the vesting of private forest lands in the Government will be shortly introduced in the Legislature.

14. One large size intensive Cattle Development Project has already started functioning with its headquarters at Alwaye and its four regional centres covering a compact block falling within the Districts of Kottayam, Alleppey and Ernakulam. The scheme has as its main objective the immediate augmentation of milk availability to feed the milk plants at Ernakulam, Kottayam and Alleppey by resorting to Cross Breeding of the local cattle with selected dairy type cattle like Swiss-brown and Jersey.

15. In addition to this unit at Alwaye, it is proposed to establish another unit of medium size covering a compact area now covered by the Key Village Blocks of Trichur. Palghat, Kozhinjampara and Nenmara in the Trichur and Palghat Districts during 1971-72.

16. The L & P Feed Compounding Factory at Malampuzha which is a part of the Intensive Cattle Development Project is at present producing 60 tons of mixed feed per day.

17. Government have approved a scheme for the establishment of an Egg Powder Factory at Thiruvalla. Before the scheme is finally sanctioned, a marketing survey is necessary. This is now being done by a private firm. It is expected that the firm will complete their work by the end of March 1971. As soon as they complete the work, action will be taken to implement the scheme.

18. A scheme costing Rs. 34.2 lakhs for the Poultry Development has been started in the Cannanore District with the financial assistance from the Agricultural Refinance Corporation. The scheme is being implemented through the Co-operative Societies.

19. A similar scheme for the development of fisheries on a co-operative basis, financed by the Agricultural Refinance Corporation and costing about Rs. 74 lakhs is being implemented in Puthiyappa Puthiyangadi in Kozhikode District.

20. My Government have decided to adopt a policy of stabilisation, rather than indiscriminate expansion of Co-operative Societies. Proposals for giving Share Capital contribution to the extent of Rs. 46.16 lakhs have already been sent to the Reserve Bank of India and it is hoped a further contribution of Rs. 60 lakhs can be obtained this very same year. The new Credit Card System which simplifies the procedure for supplying co-operative credit and other agricultural inputs to farmers will be introduced next year in 116 Service Societies.

21. There has been appreciable improvement in the overall supply position of rice in the State. The continued distribution of rice ration at the rate of 200 grams per adult per day from 7-2-1971 has substantially helped to maintain the price of rice and other food-grains in the open market at reasonable levels.

22. The question of putting a ceiling on urban property is being studied. It is hoped that before long my Government will be able to formulate definite proposals in this regard.

23. In drawing up plans for the industrial development of the State, Government have kept in view the broad objectives set forth in the Industrial Policy Statement of 1967. In the large and medium sector, a number of schemes have been taken up for the diversification and expansion of the production of companies owned by Government and those in which Government have majority share holding. These include: (i) increasing the production capacity of the Travancore Titanium Products Ltd., from 18 tonnes to 68 tonnes of titanium dioxide per day, (ii) manufacture of paper insulated dry-core telephone cables at the Traco Cable Company Ltd., (iii) fourth stage expansion of the Caustic Chlorine Plant of the Travancore-Cochin Chemicals Ltd., (iv) enhancing the capacity of the Soap Unit in the Kerala Soaps and Oils Ltd., by the installation of a Mazzoni Plant and diversifying the production of the Oil Unit of the Company by setting up a plant for the hydrogenation of fish oil and (v) manufacture of H.R.C. Fuses at the Kerala Electrical and Allied Engineering Company Ltd., and of H.T. and L.T. Switchgear by the United Electrical Industries Ltd. Schemes for expansion or diversification have either been planned or already taken up by Kerala Ceramics Ltd., Co-operative Sugar Mills Ltd., Chittur and Travancore Plywood Industries Ltd., Punalur. Government are fully aware of the fact that some of the Government Companies have not been running well for various reasons. Apart from holding regular meetings with the Managers of the Companies with a view to studying and finding solutions to common problems. Government have taken some steps to improve the working of these companies with special reference to areas like productivity, financial control and management.

24. The Kerala State Industrial Development Corporation has been playing a very active and important role not only in promoting new, large and medium industries in the State but also in developing existing industries. Government have recently initiated certain measures to make the Corporation more functional and it is hoped that these will ensure the maximum possible utilisation of locally available raw materials and human resources and skills for the rapid industrialisation of the State.

The State Government have been continuously urging Government of India to set up large Central Sector Projects in Kerala taking into account the economic backwardness of the State and its acute unemployment problem and these efforts will continue. Our claims for a Petro-Chemical Complex have also been pressed with the Government of India. Work in connection with the Newsprint Factory in the Central Sector is going ahead. A Printing Machinery manufacturing factory is proposed to be set up at Kalamassery by Hindustan Machine Tool Ltd.

25. During 1970, 43 applications for licence for starting new industries or expansion of existing units were recommended to Government of India, against which 15 letters of intent and 4 licences have so far been granted. Among the pending cases is an application for licence to take up the manufacture of a small Car in the public sector without any imported component.

26. The Small Scale Industrial Sector in the State has shown remarkable progress during the past few years. In recognition of the vital role it has to play in the economy of the State and the scope for employment that it offers, Government have recently announced some important incentives to this sector by way of concessions in Sales Tax and Stamp duty. Other facilities already available to this sector viz., developed plots, financial and technical assistance, machinery on hire purchase basis etc., will be continued and expanded wherever possible. With a view to increasing the flow of credit to small scale industrial units, Government have made certain arrangements under which Kerala Financial Corporation will now be in a

position to give loans of amounts exceeding Rs. 10,000 from its own funds, availing of refinance facilities from Reserve Bank of India and Industrial Development Bank of India, the higher rate of interest being set off by a Government subsidy. Government also propose to simplify the rules and procedures in force for the grant of Departmental loans based on property and personal security. One of the significant features of the development of the small-scale sector has been the organisation of Co-operatives of technically qualified persons, the pioneers in this field being the Kerala State Engineering Technicians (Workshop) Industrial Co-operative Societies Ltd., Trivandrum which has undertaken the manufacture of Scooter and proposes to increase the production capacity of its factory. They have also started a foundry and workshop in Ottappalam. Government have recently sanctioned a scheme to assist such ventures by extending various types of special assistance including share participation in the society and rent free accommodation in Industrial Estates for a period of five years. Government also propose to take some steps to increase the occupancy of Industrial Estates in the State.

27. It has been decided to start a Film Studio in the public sector in the Neyyar Dam area and a Committee has been entrusted with the task of preparing a project report for the same. It is hoped that the Studio can be started in the coming year.

28. 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 and expect that conditions will shortly return to normal. Government also propose to bring more handlooms into the co-operative fold during 1971-72. The coir industry will also receive the special attention of Government. With the assistance of the Government of India, the recommendations of the Coir Study Team will be implemented and action will be pursued to increase the flow of credit to the industry from financial institutions. Measures like the control of the price of green husk are also expected to stabilise conditions in this sector. The Cashew Corporation will be assisted by Government to take over a number of Cashew Factories which have been lying closed and thus provide employment to a large number of people. The Handicraft Development Corporation of Kerala will expand its trading activities and it is expected that the formation of the Bamboo Corporation as a subsidiary to that Corporation will help to stop the exploitation by middle men of persons engaged in the Bamboo Industry besides bringing in more revenue to the State.

29. The Fibre Foam Factory in Baliapatam, the Malabar Spinning and Weaving Mills, Calicut are some of the factories revived after this Government came into power. The Sitaram Mills will soon start functioning again.

30. Action is being taken for the establishment of an ancillary unit for the manufacture of cheap-cost meachinery items with the assistance of Hindustan Machine Tools.

31. Government also propose to start ancillary industrial units attached to Thumba Rocket Station and Cochin Shipyard.

32. The conciliation machinery of the Labour Department has been doing excellent work for the promotion of industrial harmony in the State. The Industrial Relations committees for various industries have also played a significant part in promoting industrial peace and stabilising labour-management relationship. The policy of my Government is to bring about long-term agreements in industries so as to avoid frequent stoppages of work which affect production.

33. The delay in the construction of Idukki Project was causing a lot of anxiety to the Government as well as the people of Kerala as a whole. One of the reasons for the delay was undoubtedly the labour situation there. Government made a determined attempt to solve this question and I hope we have succeeded to a very considerable extent. The emoluments to labourers have been considerably increased as a result of the negotiation with the labour representatives and the contractors. Part of the additional financial commitment will have to be borne by the Government. This is estimated to cost about Rs. 1.5 crores to the exchequer. But the saving that will accrue as a result of avoiding such delays is far more in comparison to this additional financial commitment. Certain follow-up measures for the maintenance of law and order and also settlement of labour disputes immediately as and when they arise are also being taken. I hope that if this better atmosphere prevails it will be possible to commission the Idukki Project by 1973 as scheduled.

34. Several reforms are being undertaken in the Department of School Education. A report on the reorganisation of the Department prepared by a Special Officer is under consideration. The question of delegation of functions of the Department to local bodies to be constituted under an appropriate legislation is also being examined. Proposals are also under consideration for the creation of new educational districts and sub-districts in view of the increase in the number of educational institutions. Government have also undertaken programmes for the revision and up-grading of curricula in schools. There is also a proposal to start an Institute of Primary and Basic Education to give better attention to the improvement of primary education. As a measure to relieve the accommodation problem in Government schools, my Government have initiated a building programme for these schools.

35. A University of the federal type has been decided to be started in Cochin.

36. Another important proposal is to introduce with effect from 15-4-1971 the reformed script which will simplify the alphabets in Malayalam printing and typewriting.

37. My Government have considerably reduced the scale of fees for applications to the Public Service Commission for appointment in Government service. I am sure that this will afford considerable relief to large number of candidates seeking Government jobs. The upper age limit for direct recruitment to posts in Government service has also been increased. This will give additional opportunities to the unemployed people who could not secure jobs within the present maximum age limit.

38. The activities of the Health Department have been steadily on the increase. There has been considerable increase this year in the number of institutions, bed strength and per capita expenditure. The strength of nurses in hospitals has been augmented substantially and this will go a long way to provide better nursing service to the patients. A one-man Commission was appointed by the Government to go into the questions of improving hospital administration and removing difficulties in the supply of medicines to the hospitals. The Commission has submitted its report to Government and action is being taken by Government on its recommendations.

39. Specialist services at present available only in major hospitals is proposed to be extended gradually to the peripheral medical institutions. It is the intention of Government to start X-ray, E.C.G. and Cardiac Units in Taluk hospitals also.

40. A unit for clinical research in Ayurvedic system under the Central sector will be started in 1971-72 in a suitable place. Post-Graduate Courses in Panchakarma are proposed to be started in the Trivandrum Ayurveda College. There is also a big programme for further development of research in Ayurveda.

41. It is proposed to set up a Factory in the public sector for the purpose of manufacturing a considerable portion of the drug requirements of our hospitals. The project report has already been prepared and it is hoped that the Factory will be started during the year.

42. The provision under the Major Irrigation Sector in the Fourth Five Year Plan is inadequate, and therefore, some of the schemes will spill over to the subsequent plans. My Government have repeatedly addressed the Government of India for additional funds in order to complete the schemes already undertaken. It will be the endeavour of my Government to complete these schemes quickly. However investigations of new schemes to be taken up in future are being carried on. An additional extent of 11,000 hectares (gross) is proposed to be irrigated in 1971-72.

43. A preliminary study of the flood problem in the State shows that the various measures to tackle this problem will involve an outlay of Rs. 23 crores. Government have a long range plan for protecting 200 miles of coastal line in Kerala. My Government would be doing their best to tackle this problem with the available funds.

44. My Government have fixed the norms for taking over the village roads by the Public Works Department. Only important roads of more than local importance will be taken over by Government. A Chief Engineer has been appointed to expedite the work on the National Highways within the State which involves an expenditure of Rs. 16 crores in the next three years. The organisation will be strengthened shortly to ensure that the Project is executed within the targetted time. Work on many Civil Stations has commenced and the construction of Public Offices in Taluk headquarters will be undertaken in the coming years. Government have already sanctioned the construction of a multi-storeyed building in the old Barracks compound west

of the University Stadium to accommodate the offices of all heads of departments in Trivandrum. The rough cost estimate for this scheme is roughly worked out at Rs. 2.08 crores. The proposal is to construct the buildings block by block on a phased programme. Administrative sanction for blocks 'A' and 'B' has already been issued. Various proposals for the reorganisation of the Public Works Department on the basis of work load are also under consideration.

45. My Government have already taken steps for the development of minor ports in the State. Detailed investigations have been carried out at the Neendakara and Beypore ports on the basis of the recommendations contained in the feasibility prepared by Messrs Indo Pol (P) Ltd. Project reports on these ports have been prepared and forwarded to the Government of India for approval. The work connected with the established of a new lighterage ports at Neendakara is nearing completion.

46. The land acquisition in regard to Calicut Aerodrome is nearing completion and the land will be shortly handed over to the Government of India. As a result of repeated requests from the State Government, the Government of India have recently conducted a proving flight to Trivandrum and Cochin Airports with Boeing 737 Aircraft. It is hoped that Boeings will before long begin to land to our Aerodromes.

47. In the matter of social welfare, one important activity which deserves mention is the programme for feeding poor children in the age group of 0 to 3 years. This programme has already covered all the urban areas and a few selected places in rural areas of the State. It is proposed to expand this programme in the coming year to cover more children and also expectant and nursing mothers.

48. My Government have taken effective steps for the advancement of the Scheduled Castes and Scheduled Tribes. Free education is provided to students belonging to the Scheduled Castes and Scheduled Tribes at all levels. A number of welfare and cosmopolitan hostels have been started for their benefit. Vocational training is given to them in Training Centres in various parts of the State. There are 96 such Training Centres in the State. A few of these have been converted into Production-Cum-Training Centres. Seven tribal pockets and one tribal sub-block are proposed to be formed in the coming year. Two colonies on the model of the Chingeri Colony are proposed to be taken up next year. A Tribal Research and Training Centre has been started for undertaking research into the problems of the scheduled tribes. A Committee for studying the conditions and requirements of "Kurags" of Kasaragode, who are most backward among the scheduled tribes, was constituted. The recommendations of the Committee are under consideration. A scheme for settling 250 educated unemployed Harijans at Thonnakkal village in Trivandrum District is under consideration.

49. The scheme for special direct recruitment of scheduled castes and scheduled tribes candidates to gazetted posts is making progress and it is hoped will be completed in 1971-72. The Employment Cell set up at the Secretariat is doing useful work.

50. The Nettur P. Damodaran Commission on the question of reservation to Backward Classes in Government service has submitted its report. The report is being studied by Government.

51. My Government have constituted a Housing Board to undertake planning and direction of the execution of housing and improvements schemes in the State. My Government proposes to formulate a special scheme for the provision of houses for the agricultural labourers in the State during the coming year. In addition to the funds that can be made available for the housing schemes from the resources of the State, it is proposed to raise loans from the Life Insurance Corporation of India, the Housing and Urban Development Finance Corporation and other sources.

52. During the current year, it has been possible for the Government to raise substantial loans from life Insurance Corporation of India for undertaking the water supply schemes of urban local bodies. During the next year, it is proposed to raise loans from the Life Insurance Corporation for undertaking the protected water supply schemes for rural local bodies as well. A statutory Rural Development Board is proposed to be constituted, for this purpose.

53. The tourist potential of the State is considerable. My Government have drawn up several schemes to develop tourism in the State. A new Tourist Home has been opened for the public at Malampuzha. The development of several tourist centres will be taken up in the coming year. The Kerala Tourism Development Corporation has decided to construct hotels at Guruvayoor and Thekkady. A multi-storied hotel is proposed to be constructed at Ernakulam mainly with institutional finance. With development of Kovalam as an international beach resort, for which a scheme has been drawn up by the Government of India, Kerala will acquire a permanent place in the tourist map of the world.

54. My Government have strengthened the police force in the State in various ways in order to effectively deal with crimes involving extremist groups. A separate cell has been constituted in the Crime Branch to deal with crimes relating to extremist activities. To improve the mobility of the police the vehicle fleet in the force has been augmented. All Circles have a vehicle each and 50% of the police stations will have been provided with vehicles in the course of the ensuing year. The objective is to provide every police station with a vehicle.

55. At present only about 30% of the police force in the State has been provided with suitable living accommodation. It is proposed to undertake a large programme of police housing in the coming year.

56. As regards legislative activities, 20 Bills were published since the present Ministry came into office in October, 1970. Of these, 15 Bills were introduced in the Assembly out of which 10 were passed into law. Six Ordinances were issued in 1970 and 13 Ordinances in 1971.

57. I have only attempted to indicate some of the important problems that face my Government and the lines on which they intend to tackle them. You, the Members of the Assembly, will have occasion to study these problems in greater detail and I hope and trust that your work as legislators would go a long way in solving them.

**JAI HIND**