

Editorial Page....

Emphasis is laid on rural development in this budget. Employment opportunities will be increased particularly for the poor in the rural areas. Educational and medical facilities will be increased and expanded. Other significant features are, incentives for establishment of industries in the backward areas and strengthening of the handloom sector to produce quality goods. Provisions for the welfare of the weaker sections and children's welfare are worthy of special mention.

Right down from the dawn of human civilization the world's greatest sages have condemned the consumption of alcohol outright.

In an article, "Drink is the worst enemy of Indians", it is pointed out that it is better to keep people away from alcohol at this stage until the country attains further progress and prosperity.

The Vice-Chairman, State Planning Commission points out that there should be a fair deal for paddy growers in an interesting article.

The man who fathered the theory of relativity and heralded the Atomic age with his famed $E=Mc^2$ was against using the atomic bomb. A brief sketch on the life of Einstein.

Chief Minister lauds the territorial army as a competent ready made army which could be used as a land army.

The manifold uses of rubber makes interesting reading.

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ACCENT ON RURAL DEVELOPMENT

BUDGET PRESENTED BY

K. MANOHARAN,

Hon'ble Minister for Finance.

The Tamil Nadu budget for 1979-80 revealed an overall deficit of Rs. 425/- crores. The Finance Minister, Thiru Manoharan, proposed taxation measures to net Rs. 2 crores, leaving a gap of Rs. 2.25 crores uncovered.

The three taxation proposals made by him related to sales tax. They were: extension of the five percent surcharge to all major municipal towns in the States, fresh import of two-percent single-point on sale of coconuts and hand-made safety matches.

Explaining the financial features of the budget, Thiru Manoharan said, the budget estimates for 1978-79 envisaged a revenue of Rs. 46.68 crores.

THIS Government is committed to the major objectives of increasing employment opportunities, particularly for the poor people in the rural areas and increasing and expanding the educational and medical facilities during the next year. The significant features of the plan for the coming year are assistance for industrial development, incentives for establishment of industries in the backward areas and strengthening of the handloom sector to produce quality goods. Special attention is being paid for the development of the agriculture and the allied sectors as well as for power development. Provisions for the welfare of the weaker sections and for children's welfare are worthy of special mention.

Agricultural Development

The Agriculture department will be implementing a number of schemes next year for increasing the production of foodgrains to 88.73 lakh tonnes and commercial crops to 36.45 lakh tonnes. To pay special attention to the development of horticulture, a separate department will be established. Quality seeds are essential for increasing agricultural production. Tamil Nadu's contribution to the production of quality seeds for food and commercial crops has been substantial. A separate Seed Certification Agency for certifying the seeds produced in State Farms in Tamil Nadu and also in the farms of enlightened farmers is already functioning under the control of the Director of Agriculture. The Government have decided to create a seed certification department making it completely independent of the Agriculture Department. A provision of Rs. 5 lakhs has been made for setting up 15 Agmark Laboratories and 35 commercial grading centres.

Animal Husbandry

We have given special attention to Animal Husbandry and Dairy Development since they offer consi-

In the Revised Estimates, the receipt under Revenue Account had been put at Rs. 733.49 crores and the expenditure at Rs. 765.37 crores, leaving a deficit of Rs. 31.88 crores.

Thanks to the recommendations of the Seventh Finance Commission, the revenue receipts during 1979-80 had been estimated at a higher level. Rs. 849.83 crores. The expenditure on revenue account was estimated at Rs. 849.25 crores a net surplus of Rs. 58 lakhs. As it was proposed to implement a large plan involving an outlay of Rs. 342.87 crores, the overall effect of transactions in all accounts would result in a net deficit of Rs. 4.25 crores. The year 1979-80 was expected to close with a negative cash balance of Rs. 9.98 crores.

derable scope for benefiting farmers and landless labourers. The schemes under implementation for upgrading the quality of cattle will be continued next year also. Sixteen more Key Village blocks and 2 more Intensive Cattle Development Projects will be set up in the coming year. Ten Veterinary Dispensaries will be opened and 5 Veterinary Dispensaries will be upgraded as hospitals. The performance of the Arasur hatchery opened last year is encouraging. As this programme has been well received by the farmers, it is proposed to set up another similar hatchery at Kappalur utilising the facilities available there. A modern abattoir at a cost of Rs 2.25 crores will be set up. I am happy to inform the members that it has been decided to set up a Meat Development Corporation with the objective of modernising the abattoirs and creating facilities for meat processing and marketing in the State.

Dairy Development

The achievements of Tamil Nadu under Operation Flood-I have been acclaimed all over the country. The Government of India have now proposed to implement Operation Flood-II from the coming year. It is expected that a sum of Rs. 40 crores will be spent in Tamil Nadu in the coming 5 years. This programme will cover another 9.5 lakhs cattle and will benefit 8 lakh farmers. Necessary provision for strengthening the co-operative wing for implementing the programme has been made in the Budget.

Forest Development

Realising the importance of forest development, Government have allocated a sum of Rs. 2.63 lakhs in 1979-80 which will enable us to raise plantations in 30,700 hectares. Plantations in 23,300 hectares at a cost of Rs. 2.39 lakhs will be raised this year. Necessary steps have already been initiated to set up a crumb rubber factory at a cost of Rs. 35 lakhs.

The Cinchona department has already started a scheme for geranium cultivation in 160 hectares and cinchona cultivation in 400 hectares in the Kodaikanal Hills. A scheme to produce diosgenin by cultivating dioscorea is also being implemented at a cost of Rs. 80 lakhs. This will give employment to 400 people. It is expected that the scheme will result in considerable saving of foreign exchange. A total provision of Rs.2,55 lakhs has been made for this department in 1979-80.

Madras Zoo will be shifted to Vandalur in view of the expansion of the Central Station. The proposed Zoo which will have the animals in natural surroundings will be a great tourist attraction. This will cost Rs. 1,05 lakhs in the first stage. This new Zoo will function under the control of the Forest Department.

Fisheries

A sum of Rs. 2.76 crores has been allocated for fisheries development in the Budget for 1979-80. It is proposed to distribute 160 mechanised boats in the current year. The Fisheries Development Corporation has taken steps for direct export of prawns. During the next year also, a sum of Rs. 1 crore will be spent on Fishermen housing.

Rural Development

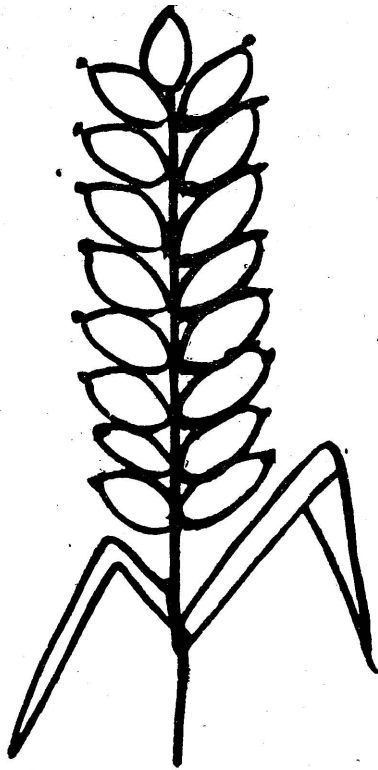
One hundred and sixty-one Panchayat Unions will be benefited under the Integrated Rural Development Programme in the current year. Under this programme, substantial funds have been allocated for agricultural development, land improvement, cattle development, sheep and poultry development, sericulture and village industries which are fundamental for the development

of our villages. These schemes are being implemented in a manner that the benefits flow largely to the small farmers, landless labourers and weaker sections of our society. In addition to the assistance of Rs. 7.12 crores from the Government, substantial funds will be obtained from the Banks for implementing the various schemes under the Programme. A sum of Rs. 10 crores will be spent under this Programme in the coming year benefiting 30 more Panchayat Unions. This Programme will ensure that the benefits of Government's schemes reach the downtrodden directly. The Programme will also play a vital role in our efforts to eradicate unemployment in the rural areas.

During the next year the Government will implement a new scheme of short term training of the rural youth in various crafts. It is proposed to train 10,000 persons under this scheme and to supply hand tools to them.

In the Governor's address mention was made about the new Employment Guarantee Scheme for the rural areas. A large number of villagers have benefited through the Small Farmers Development Agency, Drought Prone Area Programme, and the Integrated Rural Development Programme. However, there are some educated and uneducated unemployed persons who did not get any job opportunities or benefits through these schemes and the new scheme is intended to help them. Under this Employment Guarantee Scheme, all unemployed villagers about 18 years of age may register their names requesting for employment. Works will be taken up in order to ensure them job opportunities generally within the district. Such works will be executed under the direct supervision of the respective Government departments without being entrusted





to contractors. Persons employed under this scheme will be paid weekly wages calculated on the outturn basis. Under this scheme every person would get approximately Rs. 3 per day plus some rice and wheat. On the days when the Government is unable to give him work every person will get one rupee per day of rice or wheat of equivalent value. A programme to train the officers for the implementation of this scheme is also being drawn up.

Irrigation

Marudha Nadhi Reservoir Scheme and P.T. Rajan Channel Scheme will be completed in this year. It is expected that on account of these two schemes and other on-going schemes, an additional extent of 3,000 hectares will be benefited. An outlay of Rs. 25.17 crores has been made in the Annual Plan 1979-80 for the Irrigation sector. Lump sum provisions of Rs. 1 crore each for new medium irrigation schemes and for flood control and anti-sea erosion schemes are the notable allocations in the Plan. To undertake desilting and reclamation of tanks and special minor irrigation projects, a provision of Rs. 2.75 crores has been made. Work will commence in the coming year on the Girudamal nadhi—Paralayar scheme in Ramanathapuram district for irrigating 12,500 acres through 100 tube wells at a cost of Rs. 1.83 lakhs.

Power

There has been a 17 per cent step up in the electricity distributed in the last one year on account of the special and continuous attention given by the Government to generation and distribution of electricity. Against 9,448 million units distributed last year, it is expected that 11,000 million units will be distributed in the current

year. 25,305 Harijan hamlets have already been electrified as against a total of 25,526 habitations. The remaining habitations will also be electrified in one or two months. The current year's Plan envisages an outlay of Rs. 114 crores under power. The outlay for power in the coming year will be stepped up to Rs. 152 crores since necessary provisions have been made for Servalar Hydro-Electric Project, Lower Mettur Hydro-Electric Project and Tuticorin Thermal Station. As a result, it is expected that the installed capacity of Tamil Nadu Grid will be increased to 2929 MW. from 2500 MW. In order to provide an incentive to slum dwellers to obtain connections, it is proposed to implement a new scheme for supplying electricity to slum dwellers on payment of a flat rate per month without installing meters.

Industrial Development

The primary objective of the Government's Industrial Policy is to encourage the development of small scale and village industries and thereby create large employment opportunities in the rural areas. As a result of the sustained efforts taken in pursuance of the above objective, it is estimated that an additional employment of the order of 1,30,000 has been created in one year in activities such as sericulture, match industry, co-operative tea factories and small industries. The newly set up District Industries Centres have played a major role in this effort. These Centres are offering a package of services such as formulation of new projects in the small scale sector organising market studies, technical advice for entrepreneurs and securing financial assistance from the Banks. These centres are at present functioning in eight districts. These will be extended throughout the State in a few months. A sum of Rs. 1.53 lakhs has been provided for this during the next year. Dr. Nayudamma Committee has given its report a few days back with many recommendations for setting up small industries in the rural areas utilising the raw materials available there and for modernising the crafts of rural artisans. These recommendations which indicate the possibilities of setting up more than 300 trades employing lakhs of people will be examined by Government and implemented quickly. The Small Industries Development Corporation and the Khadi and Village Industries Board will play a major role in implementing the decisions of the Government on these recommendations. This Committee will continue to assist the Government in monitoring the implementation of its recommendations.

In the current year 4,000 acres will be covered under Mulberry cultivation. Another 8,000 acres will be brought under Mulberry cultivation in 1979-80. A sum of Rs. 1.23 crores has been provided in the next year for training farmers in sericulture, supply of implements for silk reeling and creating facilities for marketing cocoons and silk yarn. Additional employment for 20,000 persons will be created in the current year and 40,000 persons will get additional employment in the coming year as a result of this scheme. A separate Directorate of Sericulture has also been set up in view of the growing importance of this industry.

Three more match service societies will be set up in the coming year; 20 match co-operative societies will also be set up. It is also proposed to increase the number of members in the existing service co-operative

societies. The Tamil Nadu Small Industries Corporation has given special attention to the distribution of the basic raw materials such as wax, Potassium Chlorate, etc., required for match industry. It is estimated that this industry will create additional employment for 30,000 persons in the coming year.

The Co-operative Tea Factories in Tamil Nadu are functioning as a model for others in the country. There are 11 Tea Factories with a membership of 5,500 small farmers. They produced 53 lakh kilos of tea in 1977-78 which forms 10 per cent of the total tea production in our State. The Government has permitted the expansion of 6 factories in the current year. Another factory will be set up in the coming year. These steps will enable tea cultivation in 3,500 acres additionally giving employment for 10,000 persons.

The Government has been giving its continued and special attention to the development of Village Industries and Khadi. The sale of Khadi is expected to reach Rs. 6.25 crores in the current year as against only Rs. 4 crores in 1976-77. It is also anticipated that the sale of village industries products by the Khadi Board will reach Rs. 27.3 crores in the current year. It is estimated that the sale of Khadi will be of the order of Rs. 6.5 crores and the village industries products Rs. 32 crores in the coming year.

We have so far completed 310 sheds for the tiny sector against a programme of 900 sheds in the current year. The remaining 590 sheds will also be completed before the end of the year. The offer of the Banks to finance outright purchase of the sheds by the prospective entrepreneurs is a great boon for this scheme. Encouraged by this support from the Banks, 2,000 tiny sheds in 200 places at a cost of Rs. 1.5 crores will be put by SIDCO in the next year. The Central Subsidy Scheme is at present being implemented in 33 taluks. The State Government has decided to give a subsidy not exceeding 15 per cent for small industries in many more backward taluks from its funds. While the State Government gives encouragement for new small industries, it is also their policy to take measures to prevent sickness in small industries and to facilitate the revival of sick industries, based on a careful assessment of the causes underlying the sickness. On this basis, a new scheme for reviving sick small industries has been formulated. At present, a Committee comprising representatives from Commercial Banks, Small Scale Service Institute, Directorate of Industries under the Chairmanship of the Industries Secretary is already functioning for reviewing the steps to be taken for reviving sick industries. The Committee observed that small entrepreneurs find it difficult to increase their capital when there is some expansion in their industry. A new scheme for giving margin money assistance for reviving these small industries with the assistance of the Commercial Banks has been drawn up by the Government. SIDCO has proposed to initially disburse Rs. 25 lakhs on this in the coming year.

The Ariyalur Cement Plant being established by the State Government at a cost of Rs. 29 crores will start functioning from May 1979. The State Government has given necessary support and encouragement for Ashok Lyeland and Simpsons to enable them to increase their production of chassis by 5,000 and 12,000 respectively.

Handlooms

With a view to increase the production and at the same time, to avoid the stagnation of handloom stocks, new fabrics with new colours and designs were produced during this year. Polyester fabrics, cambric varieties, printed voiles and printed silks were newly produced. In order to produce fabrics with attractive colours, 2 modern dye houses and one design centre are functioning. During the coming year, 5 more modern dye houses and 2 more design centres will be started. The expansion work of the Erode Co-operative Processing Factory at a cost of Rs. 22.50 lakhs is being implemented. Further, steps are being taken to organise a separate section for processing polyester varieties at a cost of Rs. 31 lakhs with financial assistance from the Government of India. As a result of these plans, the production of the primary societies will rise from Rs. 35 crores in 1976-77 to Rs. 45 crores in 1978-79; similarly, the sales of Co-optex will rise from Rs. 18 crores in 1976-77 to Rs. 30 crores in 1978-79.

The expansion of spindleage in the 12 co-operative spinning mills in the State at a cost of Rs. 12 crores has been completed; as a result, the total number of spindles has increased from 2 lakhs to 2.94 lakhs. These mills which incurred a loss of Rs. 1.14 lakhs in 1977 have registered a profit of Rs. 2.00 lakhs in 1978.

The production, productivity, and employment have increased in the two spinning mills directly under the Tamil Nadu Textile Corporation and the private sector spinning mills for which the Government has issued guarantees. Government has returned one mill to the previous management after withdrawing the Government guarantee. During the coming year, Rs. 8.66 lakhs has been provided for this sector.

Transport

In order to provide better services to passengers the Transport Corporations set up by the Government have adopted a policy of replacing buses after 7 to 8 years thereby increasing the number of new buses. Following this policy, it is proposed to purchase 950 new buses as replacements at a cost of Rs. 15.2 crores in 1979-80. It is also proposed to purchase 520 mini-buses and buses at a cost of Rs. 8.32 crores in 1979-80 in order to augment services on existing routes and to cover unserved areas. All Corporations, except one are making profits. It is proposed to use a portion of the profits of these Corporations for improving roads. Government is concerned about the need for properly maintaining roads and provided Rs. 12.12 crores for this purpose in the Revised Estimates. In the coming year a provision of Rs. 19.07 crores has been made. Provision has also been made to spend Rs. 10.14 crores on construction of roads under the capital account.

Education

The Budget for the next year provides for the appointment of 1,000 additional teachers and 200 additional physical training instructors. Provision has also been made for science equipment for 200 middle schools. To enable the teachers to concentrate on their teaching jobs and to implement the mid-day meals scheme in a better manner, two central kitchens on modern lines will be set up during the next year with

CARE assistance in Ramanathapuram and Dharmapuri districts. The Government has decided to conduct a common examination at the VIII Standard level in order to benefit persons who have dropped out of the school due to indigent circumstances ; any person who has completed 14 years of age can directly write this examination. Likewise, compartmentalisation is also being introduced in the S.S.L.C. examination.

The plus-2 stage introduced during this year is being implemented satisfactorily. As against 78,000 students studying in the Pre-University classes, 1,14,000 students have been admitted in the XI Standard during this year; similarly, opportunities for higher education so far available in 187 colleges have been expanded to cover 912 higher secondary schools. A plan for providing laboratories in all the Government higher secondary schools is being implemented from this year and all such schools will have laboratories during the next year at a total cost of Rs. 6 crores. Further, Government has drawn up another scheme for construction of laboratories in the private aided schools and also for increasing the accommodation in such schools. Under this scheme, Government will give a matching contribution of 40 per cent subject to a maximum of Rs. one lakh to private aided schools for putting up laboratories, expansion of school accommodation, purchase of equipment, etc., at a cost of Rs. 2.50 lakhs per school. The Budget for the next year provides Rs. 1.75 crores for this purpose. Further, a matching grant by the Government will be available for purchase of library books worth Rs. 6,000 for each such school. Provision has been made to the tune of Rs. 37 lakhs in the Budget for the purchase of books for all the Government and aided schools. Provision has also been made for appointment of 1,740 higher secondary teachers during the next year for the new courses. I want to particularly mention the success of the Government's efforts in providing vocational education under the scheme. 24,400 students in 1,153 sections in 709 schools have taken to vocational education. All of us can be proud of the fact that Tamil Nadu is the leading light for the whole country in this field.

At this juncture, I want to reiterate the Government's assurance that the college teachers will not lose their job opportunities consequent on the abolition of Pre-University classes during the next year. A provision of Rs. 8 lakhs has been made in the Budget for starting new degree courses and post-graduate courses and for the conduct of evening classes. Provision has also been made to enable the college teachers to undertake higher studies. At present law colleges are functioning at Madras, Annamalainagar and Madurai. With a view to extend facilities for legal education it is proposed to establish law colleges in Coimbatore and Tiruchirappalli areas during the next year.

During the next year, a new polytechnic will be set up in Dharmapuri district. New courses of education to be introduced next year include ship-building and plastic technology at Madras, and electronics at Tiruchirappalli and Coimbatore.

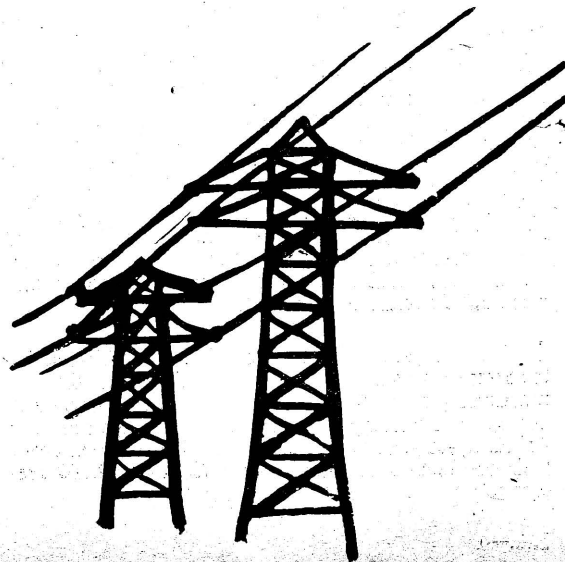
Tamil Development

Efforts are continued to be taken for the development of Tamil Art and Culture. The Sculpture School at Mamallapuram will be expanded to have a production wing also with new facilities. Provision has been

made for the improvement of the Madras Museum. The Government has decided to set up a Museum at each district headquarters. During this year, a Museum at Salem has been set up. The Government will give all assistance possible for bringing out the second edition of the Tamil Encyclopaedia.

Health

During my last Budget Speech I mentioned that "the poorest person living in the most backward rural area of the State should have as much access to modern medical facilities as the urban dweller or a person who belongs to the upper classes of society. This is our ideal. Under the new scheme of this Government to expand the medical facilities in rural areas, mobile clinics will be set up at a cost of Rs. 62 lakhs in 100 primary health centres during the coming year. With this, 224 primary health centres in the State will have mobile clinics. The State Government is repeatedly requesting the Central Government to give assistance under its special scheme to the efforts of this Government to expand the medical facilities in rural areas. I have no doubt that the Honourable Members will welcome another new scheme to be introduced by this Government for the benefit of the rural areas. We propose to establish accident emergency service at a cost of Rs. 45 lakhs in 50 hospitals which will render immediate medical relief during accidents in rural areas. These hospitals will have vehicles provided with necessary medicines and equipment. The primary health centres will provide first aid and the hospitals will be available for in-patient treatment. We have proposed to spend Rs. 43.75 lakhs during the coming year for construction of buildings for the primary health centres and houses for the doctors. An additional provision of Rs. 13 lakhs has been made for the next year for supply of medicines to the various sub-centres. Honourable Members are aware of the scheme to help 50 mini-centres to be established during the year by private service organisations. I am happy to announce that as against this target of 50 centres, 66 centres have been set up during this year and that a total of 120 centres have been set up during these two years. During the coming year, the Government will continue to give its support to this scheme and will enable 60 more centres to be set up.





Facilities for training nurses were expanded during this year so that 300 seats are available now. During the next year this will be increased to 550 seats. For this purpose, new nurses training centres will be set up at Salem and Tiruchirappalli. Twenty-eight special branches in ten headquarters hospitals and 14 other hospitals will be set up during the next year for specialities like ophthalmology, E.N.T., blood bank, medical records branch, etc., ; Rs. 53 lakhs will be spent during the next year for the construction of buildings in 2 district headquarters hospitals and 17 other hospitals.

The Government will take all efforts for upgrading the Madras Medical College as a post-graduate research institution. All branches of this College will be upgraded and headed by capable doctors selected at the State level. On this basis, provision has been made in the next year's Budget for purchasing special equipment in branches like Neurology. Rs. 32.87 lakhs have been provided for improvements to medical colleges. As a result of the new schemes in the Budget, 326 doctors, 489 nurses, 690 para-medical staff and 405 other staff will be appointed in the next year.

To encourage the Indian System of Medicine, Government has decided to expand the two existing herbal farms and to set up five more such farms. 20 Siddha village dispensaries and 15 Siddha sections in hospitals will be started during the next year. A total provision of Rs. 1,26 lakhs has been made in the next year under Indian Medicine.

Water Supply and Sewerage

The Tamil Nadu Water-Supply and Drainage Board has provided water-supply to 2,317 category I and category II habitations at a cost of Rs. 12 crores in the current year. About 10 lakhs of people have benefited by this programme. A programme at a cost of Rs. 25 crores for supplying drinking water to 5,420 habitations in categories I and II not yet provided with potable water will be completed in next year. Work will also be commenced for providing water-supply to category III habitations from the next year. The TWAD Board has also organised mobile teams consisting of 230 mechanics to undertake maintenance of 17,000 hand pumps throughout the State. This Board is also maintaining 2,730 power pump-sets in the State.

In the current year, 39 Municipal Water-Supply Schemes, 68 Town Panchayat Water-Supply Schemes and six Municipal Sewerage Schemes are being executed. In addition it is programmed to take up four Municipal

and 41 Town Panchayat Water-Supply Schemes in the next year. Eighteen urban Water-Supply Schemes have been completed in the current year. It is anticipated that in the coming year 24 water-supply schemes and 8 sewerage schemes will be completed. It is programmed to spend Rs. 7 crores each both in the current year and in the coming year on urban water-supply and sewerage schemes.

It is estimated that an expenditure of Rs. 3.46 crores in the current year and Rs. 4.87 crores in the next year will be incurred on the Siruvani Water-Supply Scheme which has been undertaken at a cost of Rs. 16.16 crores. This scheme will also be completed next year.

Children's Welfare

The year 1979 is being celebrated as the International Year of the Child. A provision of Rs. 6 lakhs has been made for setting up a Children's Museum. During the next year, 250 new Balwadis will be opened. Further, buildings will be constructed for 400 existing Balwadis. The Government has also decided to set up a home for mentally retarded children. During the next year, 700 hearing aids and 1,000 calipers will be supplied to the handicapped children from poor families. Government has also decided to allow handicapped children to travel free of cost in the buses belonging to the Government Transport Corporations.

Social Welfare

Thousand tri-cycles will be supplied during the next year to handicapped persons. 1,000 bunk stalls will also be provided for such people to get self-employed. Sewing machines for 1,000 destitute widows will be supplied free during the next year.

Welfare of Scheduled Castes and Backward Classes

Six mobile units were functioning for dealing with untouchability offences last year. Seven more units were added in the current year and as a result all the districts except Madras and Nilgiris have a mobile unit. A provision of Rs. 2.20 crores for Harijan Housing has been made in the Budget for the next year also. It is proposed to open one tribal residential school in Periappakkam in the Pachaimalai Hills in Salem district. Dormitories will be built in two schools in the Nilgiris district. Fifteen more hostels will be opened in the coming year. During the next year a sum of Rs. 18.30 crores will be spent on the welfare of Scheduled Castes and Tribes. Similarly for the welfare of backward classes a sum of Rs. 7.07 crores will be spent.

Labour Welfare

The Government is continuing to give special attention to preserve industrial peace and to promote welfare of the working classes. A new scheme for medical examination of the labourers in certain specified industries is being launched. Schemes for giving educational facilities to the children of labourers utilizing the Labour Welfare Fund are being examined. The Overseas Man Power Corporation, set up recently, is undertaking collection of data regarding the employment opportunities available abroad and the details regarding the qualifications and experience of persons desirous of taking up jobs in foreign countries.

Housing

Government will continue to place emphasis on promoting housing activity in rural areas in the coming year. A new programme of construction of 1 lakh houses through village housing co-operatives has been announced in the Governor's address. The State Co-operative Housing Society has programmed to disburse Rs. 4 crores as loans for housing in rural areas. Keeping the welfare of Government servants in mind, the Government has planned to spend Rs. 2,00 lakhs in the current year for building more houses for them. It is proposed to accelerate this programme by providing an additional amount of Rs. 50 lakhs in the coming year. A provision of Rs. 1,82.50 lakhs has been made for house building advances to Government servants in the coming year.

Madras Metropolitan Development

Government is implementing the Madras Urban Development Project with the assistance of the World Bank. Under this project, sites and services schemes for increasing the availability of house-sites in the metropolitan area, improvements to sewerage and water supply systems, improvements to road and transport services, nutrition programmes, development of small industries are being undertaken. A provision of Rs. 14.05 crores has been made in the Budget for this project. The sites and services schemes are being undertaken at Arumbakkam, Villivakkam and Kodungaiyur which are close to the City. The Arumbakkam Scheme has been completed and the settlers would start moving in to this area from April 1979 onwards. The bus transport services have been improved under this project by enabling the Pallavan Transport Corporation to put 285 new buses on road in the City. Improvements to the City water-supply and sewerage systems form an important component of the Madras Urban Development Project. The Madras Metropolitan Water Supply and Sewerage Board has been set up in the current year in order to properly maintain and improve the water-supply and sewerage systems in the City. This Board has programmed to spend about Rs. 20 crores in the next 2 years on improvements to water supply and sewer systems in the City. In the coming year this Board will be executing works to the tune of Rs. 8.12 crores.

Courts

The Budget provides for establishment of 11 new Criminal Courts in the coming year. With this, the first set of the recommendations of the Committee

headed by Justice Thiru Varadarajan regarding the establishment of new Criminal Courts would be fully implemented.

Revenue Administration

The Village Officer, Revenue Inspectors and other Revenue Officials play a major role in maintaining the Government's contact with the public. In order to enable the revenue officials to perform their duties better, the Government has already decided to reorganise the revenue firkas which were created several years ago. Further, Government has already started a programme for building residential quarters for revenue officials in their places of work. Government has ordered the construction of houses under this programme in 500 places through the Tamil Nadu Housing Board. Work has commenced in 200 places. It is proposed to create 14 new taluks in the coming year by upgrading the existing subtaluks. A provision of Rs. 11.3 lakhs has been made for this purpose. Government has set apart Rs. 13 lakhs for constructing buildings for taluk offices and Revenue Divisional Offices.

During the recent monsoon the two new cyclone shelters proved extremely useful in providing shelter to the people on the sea coast affected by the cyclone and floods. Several foreigners and others have appreciated our efforts and come forward to assist us in this programme. Efforts are being taken to construct 23 more such shelters at a cost of Rs. 46 lakhs with the help of the Red Cross. Deducting the contribution to be received from the Red Cross, the balance cost will be met from the Chief Minister's Public Relief Fund.

Due to the suspension of resettlement operations for a number of years, land records in ryotwari villages have become out of date and do not reflect the position on ground. Government has decided to change this situation by undertaking a programme of up-dating land records in the coming year. This programme is to be undertaken at a cost of Rs. 1.48 crores throughout the State except in the Nilgiris and Kanniyakumari districts and a few other areas where resurvey has already been undertaken. The programme will cover the resurvey of 30,000 square miles, preparation of new survey maps and up-dating of village records, so that all the records reflect the present position of ground. This programme apart from enabling the farmers to obtain credit easily from commercial institutions based on the correct land records will also enable them to know their actual holdings. This programme will also demarcate clearly Government's own land and enable removal of unauthorised encroachments from these lands.

Police

Action is being taken on several fronts in implementing properly the Government's prohibition policy. A new prohibition laboratory will be set up at Salem. The existing laboratories will also be expanded. Orders have been issued sanctioning the provision of a telephone in such of those police stations where the facility does not exist now to enable the general public to contact the police easily and also enable quick communication. The Police Housing Scheme will be accelerated and an expenditure of Rs. 1.5 crores will be incurred for this purpose in the coming year. In the coming year a total

provision of Rs.1.37 crores has been made for strengthening the police force, establishing new police stations, establishing women police branches at several places, strengthening the finger print bureaux and appointing additional ministerial staff. The Police department will be re-organised and streamlined so as to effectively discharge the responsibilities of implementation of the prohibition policy, maintenance of law and order and detection of crimes.

As part of the programme to provide basic services in rural areas, it is proposed to establish Fire Stations in 20 small towns in the coming year. I would like to point out that in no year so many new Fire Stations have been announced. Further, it is proposed to implement a scheme in the coming year to train rural people in fire fighting.

Schemes have been drawn up to provide water supply, sewerage, and electricity in jails in the current year and in the next year at a total cost of Rs.57 lakhs. On completion of these schemes, every jail in Tamil Nadu will have these basic facilities. Further, a sum of Rs.23.5 lakhs will be spent for modernising the jail manufacturing centres and for sinking bore-wells. A school in the Southern Zone for imparting training in Jail Administration is being established at Vellore.

Benefits to Government Employees

On the recommendations of the Third Pay Commission, the Government have revised employees' pay and allowances such as House Rent Allowance, City Compensatory Allowance, Travelling Allowance, Hill Allowance & Winter Allowance, with effect from the 1st April 1978. Benefits arising out of the Pay Commission's recommendations have actually been further liberalised by the Government. The minimum benefit accruing from the pay revision has been increased from Rs.15 as recommended by the Commission to Rs.20. Smooth avenues of advancement to higher posts and Selection Grades on completion of ten year's service have been opened up for the employees belonging to a large number of categories at the middle and lower levels. But the Pay Commission had not extended this arrangement to the last grade Government servants. However, the Government has looked into their position with compassion and established Selection Grades for them also. The decisions taken by the Government on the recommendations of the Pay Commission will result in an immediate annual expenditure of the order of Rs.37 crores which will eventually go up to Rs.67 crores. The Government has taken a number of further decisions for the benefit of employees.

In order to ensure an equitable flow of the benefits of the facility of advance for the purchase of construction of a house, the allocation for house advance will hereafter be distributed among the districts and the power to sanction this advance will be conferred on the Collectors also. The Government has accepted the recommendations of the Third Pay Commission, aimed at encouraging the Government employees to build or buy houses in areas outside the major cities. Accordingly, a rebate of one per cent on the interest on house advance will be given if the house is constructed or bought in places to which the City Compensatory Allowance does

not extend. The Government accepts the Pay Commission's recommendation for the provision of education advance to the Government employees whose children are studying in Colleges or Polytechnics. Such employees will be eligible for education advance at the rate of one month's basic pay. This advance will be interest free. The advance will be limited to Rs.1,000 for the employees whose children are in Colleges and to Rs. 500 for those whose children are in Polytechnics. The advance which will be recovered in ten monthly instalments, will be available every year during the period of study of the children in the institutions mentioned above.

The quantum of advance for the purchase of bicycle will be increased from Rs.300 to Rs.400. The facility will be available to the employees drawing pay not exceeding Rs.750 per month. The advance may be used for buying new bicycles only. The ceiling on the advance for the purchase of a new scooter is being increased from Rs.4,500 to Rs.5,000. All the employees drawing pay not below Rs.750 per month will be eligible for this advance. The quantum of festival advance is being increased from Rs.250 to Rs. 300. Consequent on the revision of pay scales, the eligibility for this advance, which was confined to those drawing pay below Rs.750 per month, has already been extended to those with pay not exceeding Rs.1,000 per month.

The Government has already issued orders increasing the pension of those who retired from service before the pay revision. The benefits arising out of this increase in pension would be available from the 1st October 1978. Acceding to the request of pensioners the Government proposes to give effect to the increase in pension with effect from the 1st April 1978 itself.

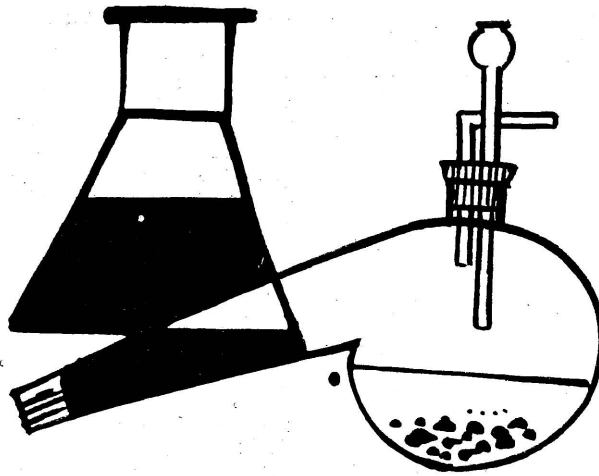
Other Pensions

From the coming year onwards, each old age pensioner will get a handloom dhoti or sari on the occasion of Pongal and Independence Day. Further the monthly pension itself will be raised from Rs.20 to Rs.25. Government have decided to extend the pension scheme to all destitute blind persons irrespective of their age. I am sure the Members of the House will welcome this decision.

Many freedom fighters including the Members of the Indian National Army are now getting a pension of Rs.200 per month from the Central Government and Rs.75 per month from the State Government. Certain pensioners in these categories are getting only Rs.75 per month as the State pension. For such pensioners the Government proposes to increase the monthly pension from Rs.75 to Rs.100 from the next year onwards. Further the members of the Balasena of the Indian National Army whose pension was stopped in 1973 will also get pensions from the next year onwards. A draft bill will be introduced before the Legislature to grant pension to those who made great sacrifices for the cause of the Tamil language and for the merger of the Tamil speaking areas with the State.

Recommendations of the Seventh Finance Commission

The Seventh Finance Commission has recently announced its award. As a result of the Central Government's decisions on this, it can be expected that most



of the States may show some revenue surplus in future. Therefore, the State Government will have to formulate its financial policy taking into account its requirements for Capital investments and loan operations.

The Finance Commission did not fully admit the expenditure to be incurred by the State Government for increased pay and allowances to its staff on the basis of the recommendations of the Pay Commission. It is regrettable that the Finance Commission has taken into account only a figure of Rs. 252 crores as against the anticipated expenditure of Rs. 399 crores to be incurred by the Government of Tamil Nadu during a five-year period.

The Finance Commission has enumerated various items regarding Centre-State financial relations on which the Central Government has to take action, e.g. ;

Amendment of the Constitution to enable apportionment of Corporation tax amongst the States ;

making suitable changes in the additional excise duty on Sugar, Tobacco, and Textiles levied instead of State Sales Taxes ;

increasing the compensation due to the States in lieu of the taxes on Railway passenger fares levied by them ;

merging the surcharge element (levied continuously) with the Income Tax so that it can also be apportioned among the States ;

I request the Central Government to take speedy steps for arriving at favourable decisions on such important recommendations.

Five-Year Plan

The Five-Year Plan was originally formulated on the basis of States' Plan of Rs. 35,160 crores and a Central Plan, of Rs. 34,220 crores. Thus, for the first time the outlay on States' Plan will be more than the Centre's Plan outlay. We welcome the realisation of

the Central Government and the Union Planning Commission about the major share of the State Governments in the country's development. Now, as a result of the transfer of Rs. 2,000 crores from the Centrally sponsored Sector to the State Plan Sector, the State's outlay during the five-year period will be Rs. 37,160 crores as against the Central Government's share of Rs. 32,220 crores. We fervently hope that this trend will continue and that the State Governments get increasing shares in future.

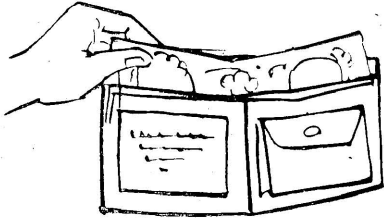
Annual Plan

Discussions were held with the Union Planning Commission on the basis of a Plan Outlay of Rs. 363 crores for the coming year. Working Groups constituted by the Union Planning Commission examined our draft Annual Plan and recommended a Plan outlay of Rs. 342 crores. A final agreement with the Union Planning Commission on the size of the Plan could not be reached. We have been requesting the Union Planning Commission for special assistance for Tamil Nadu to implement a minimum necessary Plan bearing in mind the heavy loss sustained by the State on account of Prohibition. In the recent meeting of the National Development Council it was decided that the outlay on Centrally Sponsored Schemes would be reduced by Rs. 2,000 crores and made available to the States for their Plan from 1979—80 to 1982—83. Tamil Nadu's share in this transfer is estimated to be Rs. 150 crores. Taking into account this additional transfer of resources and based on our claim for special assistance we have prepared the Annual Plan 1979—80 with an outlay of Rs. 342.87 crores.

Financial Position

The Budget Estimates for 1978—79 envisaged revenue receipts of Rs. 680.08 crores and a revenue expenditure of Rs. 726.76 crores with a revenue deficit of Rs. 46.68 crores. In the Revised Estimates the revenue receipts are estimated at Rs. 733.49 crores, the revenue expenditure at Rs. 765.37 crores and a revenue deficit of Rs. 31.88 crores. As against the budgeted

capital expenditure of Rs. 63.45 crores the Revised Estimates indicate an expenditure of Rs. 67.62 crores. The overall effect of the transactions in the Revenue, Capital, Loan and Public Accounts was estimated to result in a deficit of Rs. 14.34 crores in Budget Estimates, 1978-79. In the Revised Estimates it is anticipated that the overall effect on all Accounts would result in a net deficit of Rs. 32 lakhs leaving a negative closing cash balance of Rs. 5.73 crores.



The Annual Plan Outlay for 1978-79 was fixed at Rs. 305 crores. According to the Revised Estimates, the Plan Outlay in the current year will be Rs. 323.42 crores. This does not include the outlay of Rs. 17.60 crores on cyclone/flood relief schemes being incurred with advance Plan Assistance. This is the last year of the Fifth Five-Year Plan. As 1978-79 is also the first year of the new Five-Year Plan following the decision of the National Development Council, a large portion of the outlay in the current year will be treated as Non-Plan committed expenditure from 1979-80 onwards. For example, the expenditure on salaries of teachers appointed in 1978-79 will be part of the Plan Outlay in 1978-79 and will become Non-Plan committed expenditure from 1979-80 onwards. Accordingly, it is estimated that the committed expenditure in the coming year will be about Rs. 30 crores. While examining the Plan outlays for various sectors as included in the Annual Plan for 1979-80, it is necessary to keep in mind the level of committed expenditure also. As mentioned earlier, in the coming year thanks to the recommendations of the Seventh Finance Commission, revenue receipts have increased and are estimated to be Rs. 849.83 crores. The expenditure on the revenue account has been estimated at Rs. 849.25 crores leaving a net surplus of Rs. 58 lakhs. The capital expenditure in 1979-80 will be Rs. 72.25 crores. As we propose to implement a large Plan of Rs. 342.87 crores, the overall effect of the transactions on all accounts will result in a net deficit of Rs. 4.25 crores leaving a closing negative cash balance of Rs. 9.98 crores at the end of 1979-80.

The Government has decided to take steps to meet this deficit, at least partially. At present a 5 per cent surcharge on sales tax is being levied in the Madras City and a belt area of 32 kms around the city, and the towns of Coimbatore, Madurai, Tiruchirappalli and Salem. This surcharge will be extended to cover all the special grade, selection grade, and first grade municipalities and also a 16 km belt around each of the towns of Coimbatore, Madurai, Tiruchirappalli and Salem. This will take effect from 1st April 1979.

At present there is no sales tax on coconuts but a 2 per cent single point sales tax is levied on copra which

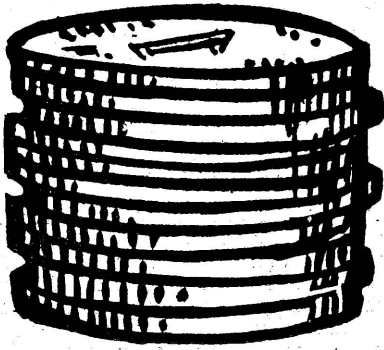
is used for oil extraction. Since there is substantial evasion of this tax on copra on account of the present exemption for coconuts the Government has decided to levy a single point sales tax of 2 per cent on coconuts also. In order to give relief to the small traders, this levy will not be applicable to those whose annual turnover of coconuts does not exceed Rs. 25,000. This will come into effect from 4th March 1979.

In India, Tamil Nadu occupies a pre-eminent position in the manufacture of safety matches. A substantial portion of the requirements of other States is also met by our State. The Government is giving all encouragement to this industry and is also assisting the same in getting an uninterrupted supply of raw materials. In order to enable the levy of tax on matches sold outside the State, it has now been decided to levy a single point sales tax of 2 per cent on handmade matches. This tax will also come into force from 4th March 1979. To assist the small manufacturers, exemption will be given to the manufacturers whose annual turnover does not exceed Rs. 25,000. Due to these tax efforts it is expected that an additional revenue of Rs. 2 crores will be available.

The Kaiwar Committee on sales tax has submitted its recommendations on various aspects of sales tax administration. Many of them have already been implemented. On the basis of this Committee's recommendations, the Government has decided to amend the Sales Tax Law to encourage industrial growth. At present, tax concession is available only on visible and mechanically identifiable component parts used in the manufacture of a product. The Government now proposes to enlarge this, to cover raw materials and components used in manufacture, by drawing up schemes for specified industries indicating the raw materials and the components eligible for concessions and also taking into account the Central Sales Tax rates. Thus it will be possible for the Government to evolve and implement programmes to help certain industries which deserve tax concessions.

Another recommendation of the Kaiwar Committee is regarding compounding of tax due. As per the present pattern, tax is not due from dealers on sales turnover of goods liable for multipoint levy upto Rs. 50,000 per annum, ; and compounding is allowed for a sales turnover between Rs. 50,000 and Rs. 1,00,000 per annum. To encourage compounding by this category





of dealers, the present 10 slabs will be reduced to 5 from the coming year. The rates for compounding will also be reduced. I hope that the business community will welcome these concessions.

With the additional resource mobilisation measures mentioned above, and with the benefit of the legislation on Agricultural Income-tax and Motor Vehicle Tax pending before the Legislature, the gap in resources for the year 1979-80, will get reduced. The Government will continue its efforts to ensure all round economy in administration. On this basis we have programmed to implement the Annual Plan of Rs. 3,43 crores in the coming year.

QUAILS AND PATRIDGES BECOME RARE

Quails and partridges have become scarce in Tamil Nadu and in the interest of their conservation, it has become essential that commercial exploitation of this scarce natural resource comes to an end. The use of these birds with menu of non-vegetarian hotels may serve to encourage clandestine and illegal hunting. Therefore, non-vegetarian hoteliers are requested to abstain from using quails and partridges in the menu or food served in their hotels. This will be a gesture to save these birds from further annihilation.

NATIONAL CHILDREN'S FUND

The Government of India has constituted the National Children's Fund with an initial grant of one lakh rupees. There will be a further grant from the Prime Minister's Relief Fund.

The National Children's Fund is the part of the programmes for the International Year of the Child. It has been set up with the objective of paying grants -in-aid to voluntary organisations for implementing programmes of children's welfare. This will include rehabilitation of destitute children, particularly those belonging to the pre-school age group.

The Fund will be administered by a Board of Management under the Chairmanship of the Union Minister of Education and Social Welfare. The Board consists of both official and non-officials.

Steps have been taken to obtain exemption from Income-tax for donations which may be made to the Fund by the public and business houses.

Chief Minister SPEAKS



Government plan to Ensure Bright Future

FOR CHILDREN

Concrete schemes for child welfare and promotion of cent percent literacy would be given importance in the coming budget, said the Chief Minister Thiru M. G. Ramachandran.

While inaugurating a photographic exhibition on "Children in India" organised by the Directorate of Advertising and Audio Visual Publicity, the Chief Minister asked the people to co-operate with the Government in ensuring a secure and bright future for children.

TERRITORIALS AS LAND ARMY

An impressive parade held at Anna Stadium at Tiruchi when Thiru M.G.Ramachandran, Chief Minister presented the Chief of the Army Staff, a silver trophy, T.A. banner and T.A. medals to the 117 Infantry Battalion.

Commending the useful role played by the Territorial Army during times of both emergency and peace, Thiru M. G. Ramachandran, Chief Minister, described this "citizens army" as "readymade, well-equipped and fully trained". He said that the State Government would explore the possibility of utilising it as a land army, in consultation with the Home and Police departments.

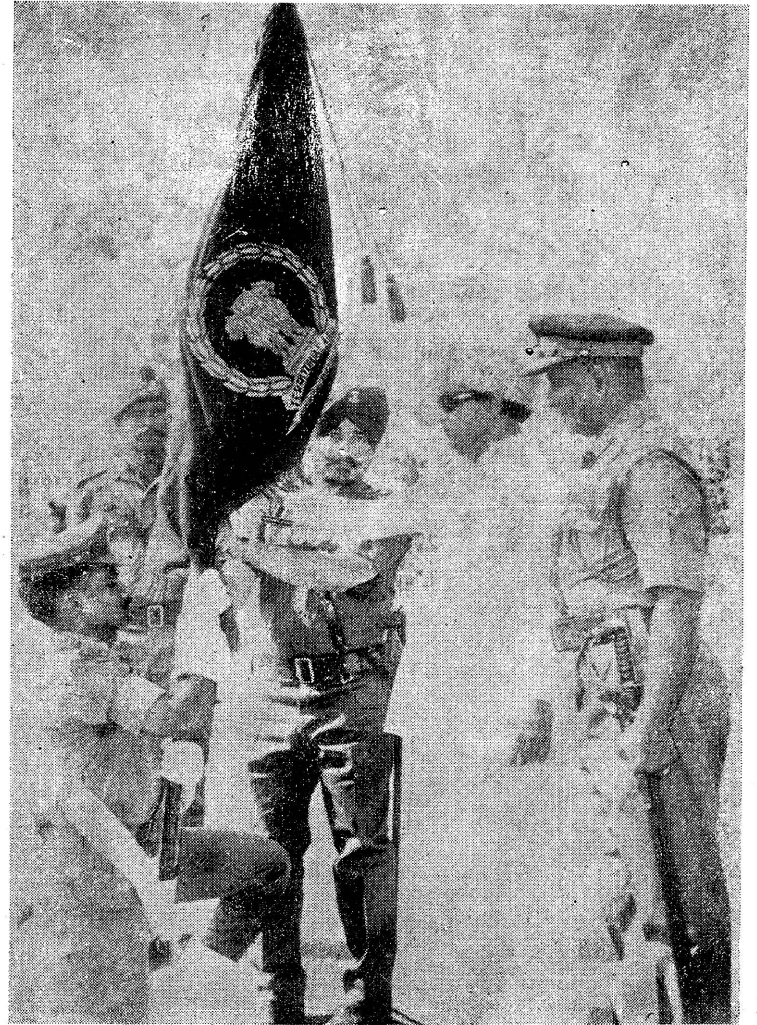
The Chief Minister also announced a grant of Rs. one lakh to the 117 Infantry Battalion (Territorial Army, Tiruchi), in appreciation of the coveted national honour this Battalion had earned.

Addressing the T.A. personnel of all ranks and cadres, officers

and the elite of the town, the Chief Minister acknowledged the humanitarian services rendered by T.A. men in the rescue relief and rehabilitation operations during the November 1977 floods in Tiruchi. He said the Government was examining the question of formation of a land army and the T.A. men could form its nucleus. He felt encouraged that the Territorials had all the prerequisites for the job of a land army.

The Chief Minister presented the Chief of the Army-staff a silver trophy to Lt. Col. Surinder Singh, Officer Commanding, 117 Infantry Battalion, Tiruchi. second Lieutenant Kutty received the T.A. banner. The Chief Minister pinned the T.A. medals on eight officers of the battalion.

Major-General S.P. Mahadevan G.O.C. A. T. N. K. and K area and colonel of the regiment, welcomed the Chief Minister.



Following the recent floods in West Bengal and a few other States. Industrial Development Bank of India (IDBI) has formulated a 'Special Refinance Facility, 1978' with a view to facilitating immediate rehabilitation of the industrial units in the village and cottage, tiny, small scale and medium scale industrial sectors affected by floods. In view of the fact that certain districts in Tamil Nadu have recently been affected by cyclone floods, IDBI have agreed to extend the soft terms of refinance under this Scheme viz., 'Special Refinance Facility, 1978' in respect of the financial assistance that may be granted by the Tamil Nadu Industrial Investment Corporation Ltd. (TIIC) to the industrial units affected by recent cyclone floods in Tamil Nadu and Pondicherry for their rehabilitation. Refinance by IDBI on soft terms will be made to TIIC in respect of rehabilitation assistance granted by TIIC to such affected units provided the purpose is to rehabilitate the units' plant and machinery and or factory buildings sheds and the assistance sanctioned represents the minimum amount necessary to put the units back into operation.

Under this Scheme, term loans not exceeding Rs. 25 lakhs granted by eligible credit institutions to village and cottage industries to units in the tiny and small scale sectors and to the smaller of the medium sized units, which, on the eve of the floods, had total assets (excluding current assets) not exceeding Rs. 100 lakhs and which have suffered damage due to floods, will be eligible for refinance from IDBI in full. In those cases where the stocks have suffered extensive damage and, for sanctioning fresh credit facilities for working capital bankers will require the units to provide margin, the minimum margin money so needed, could also be included in the loan amount and the same would be eligible for refinance. Units in the tiny sector of the small scale industry group are those which have plant and machinery for amount not exceeding Rs. 1 lakh (original book value) and which are located in towns with population less than 50,000 (1972 Census) or in villages.

In the case of loans for amounts up to Rs. 10,000- which should take care of the requirements of

most of the units in the village and cottage industry sector, instead of merely the margin on working capital, the full cost of providing the minimum level of stocks (raw materials and stores) requires for the units to recommence production, may be included in the loan amount and this will also be eligible for refinance.

It will be the responsibility of the eligible credit institutions to make the assessment of the damage and determine the quantum of finance needed to be sanctioned. IDBI, while sanctioning the refinance, will not undertake a second scrutiny but may later conduct test checks. This procedure will avoid delay in sanction of refinance. Where needed, the institution, may, for making the assessment, take the assistance of consultants, firms including the Technical Consultancy Organisations set up by the financial institutions, Small Industries Service Institutes, District Industries Centres Officials of the State Directorate of Industry, and similar other competent agencies. Assistance of IDBI officials will also be available to the extent feasible.

While sanctioning loans, the eligible credit institutions should ensure that repayment schedules are as realistic as possible, verging on liberality. For example, an initial moratorium too may need to be granted. Also, the period of amortization may not necessarily be limited to the customary 7 years. IDBI will depend on the judgement of the eligible credit institutions in this regard.

By way of protection for the rehabilitation assistance sanctioned by the eligible credit institutions, they will obtain a charge on the assets to be acquired there through plus, where applicable, a charge on the existing assets. In a case where a unit is already indebted to more than one credit institution, the existing as well as future assets may be shared between them and the eligible credit institutions on pari passu basis or as mutually agreed to.

To keep the rehabilitation assistance under this scheme separately identifiable, the eligible credit institutions will sanction it by way of a separate term loan. The Refinance sanctioned by IDBI will also be on separate account, entitled "SRF

1978". This procedure will facilitate operation of the different concessional terms that will be given for such loans refinance.

Refinance will be granted to the full extent of the term loan, irrespective of whether the unit is a small scale one or not, or whether it is located in a backward area or not, provided the quantum of assistance sanctioned is the minimum necessary for the purpose of rehabilitation, subject to a ceiling of Rs. 25 lakhs per unit. The existing assistance/refinance outstanding in respect of a unit will not be counted in the reckoning afore-indicated ceiling of Rs. 25 lakhs.

IDBI will forgo usual commitment charge for any delay in draws; like-wise, the eligible credit institutions should also refrain from levying any commitment charge on their borrowers. In the case of refinance assistance up to Rs. 5 lakhs, the simplified procedure of sanctions and disbursement under IDBI's Automatic Refinance Scheme (ARS) which was introduced from July 1, 1978 will apply, except that the repayment period would uniformly be ten years. Such applications should be entitled 'SRF, 1978' under the heading 'ARS'. In other cases, applications under SRF, 1978' will be handled in a manner similar to those under the normal refinance scheme.

There may also be instances where instalments on existing term loans need to be rescheduled, or where interest which has fallen due or is shortly to fall due require to be frozen. Where appropriate, this should be permitted without levy of any penal charge; matching rescheduling/freezing of refinance interest will be granted, on request, by IDBI. The rate of interest governing such rescheduled refinance will, however, be the same as originally stipulated. If after grant of the rehabilitation assistance under SRF, 1978, any relief is received by an industrial unit, or on its behalf by the eligible credit institution, from Government by way of outright grant or loan, or compensation from insurance companies, or claim from the Credit Guarantee arrangement or Deposit Insurance and Credit Guarantee Corporation etc such amount should be utilised towards pre-payment of the outstanding against the rehabilitation assistance.

The Chief Minister Thiru M. G. R. distributed prizes to winners in various competitions in connection with the International year of the Child celebrated on 9-3-79, at Madras.



Thiru A. Amirthalingam, Leader of the opposition, Sri Lanka Parliament and Secretary - General, Tamil United Libration Front called on the Chief Minister Thiru M. G. R. at his chamber in the secretariat on 17-3-79.

News in Pictures

The Chief Minister Thiru M. G. R. distributed Pattas in Pudukottai district on 28-2-79.



Thiru R. M. Veerappan, Minister for Information and Religious Endowments released the 'Traffic guide' compiled by the Traffic Commissioner on 2-3-79, at Madras.



His Excellency Thiru J. Grafee, Ambassador of Belgium in India called on the Chief Minister Thiru M. G. R. at his chambers in the Secretariat on 10-3-79.

Anatomy of Agricultural Commodity Prices

A Fair Deal Needed

KOVAI CHEZHIAN

Vice-Chairman, State Planning Commission

The major determinant in the fixation of price of any product is its cost of production. The cost of inputs, wages paid to the labourers, other incidental costs and a reasonable return on the capital are all taken into account while determining these price of manufactured goods. Though this has been an accepted principle, the Agricultural Prices Commission which fixes the support prices and procurement prices for agricultural commodities, does not seem to have taken into account the cost of cultivation prevailing in different parts of our country. In the organised manufacturing sector, the producer enjoys a greater amount of freedom in fixing the prices, but in the Agricultural sector, the producer has no say at all in the matter of fixing prices. Supplies in the case of manufactured goods can be regulated by the producer through the year and by such a process, he can get a better price. By restricting the supply, artificial scarcity can even be created by producer to get unduly high prices. But unfortunately in the case of agricultural sector, supplies come in bulk twice or thrice at the harvesting season and the farmers out of compulsion have to sell the produce immediately after the harvest and are at the mercy of the traders. They are not in a position to get remunerative prices. The price policies recommended by the Agricultural Prices Commission during the last 13 years of its existence were unrealistic and did not take into account the interest of producers. The recent recommendations of Agricultural Prices Commission for price policy for 1979-80 marketing season for paddy and wheat have brought to light the basis on which the Agricultural Prices Commission fixes the support prices and procurement prices. The

different views expressed by the members on the fixation of support prices and procurement prices need to be closely studied. In the interest of sustaining the higher levels of production achieved in recent years, a pragmatic agricultural price policy, taking into account the interest of farmers is called for.

India has achieved a significant breakthrough in foodgrains production notably in wheat, and to some extent, in rice from the Third Five Year Plan onwards. The new strategy for agricultural development started with the implementation of Intensive Agricultural Development Programmes in 1960-61. The subsequent—introduction of high yielding varieties, increased use of fertilisers, expansion of irrigation facilities along with the ready response of the farmers in adopting the new technology have transferred Indian Agriculture to a great extent. The foodgrains production during 1977-78 has touched a record level of about 125 million tonnes from 82.23 million tonnes in 1960-61. The tempo of growth in the foodgrains production has to be maintained in the years to come. The new agricultural strategy recognised the importance of guaranteed minimum prices as an incentive to agricultural production. In years of bumper crops, the prices invariably decline to unremuneratively low levels, affecting the producer. The Agricultural Prices Commission was set up in 1965 to advise the Government from time to time on appropriate price policies for agricultural commodities "with a view to evolving a balanced and integrated price structure in the perspective of overall needs of the economy and with regard to the interests of the producers and consumer." The estab-

lishment of the Agricultural Prices Commission marks the beginning of a new era in the evolution of agricultural price policy. The main ingredients of the policy are:

1. Announcement of minimum support prices for wheat, rice coarse grains, well before the sowing season.
2. Fixation of procurement prices for the above crops; and
3. Recommendation relating to the issue prices and quantity to be produced for ensuring the public distribution system to safeguard the interests of low income consumers.

During the thirteen years of its functioning the prices recommended by the Agricultural Prices Commission has been largely influenced by considerations of protecting the interests of consumers and its eagerness to check maintain the general level of prices. The interest of producers was relegated to the background. Though the Agricultural Prices Commission claims that it has taken into account the cost of cultivation while fixing the support price and procurement prices, it does not appear to be so in practice. In the early years, the price fixation was done merely on ad hoc basis owing to non-availability of reliable data on cost of cultivation for various crops. Efforts were made to improve the data situation. While recommending price policy for paddy for 1979-80 marketing season, the Agricultural Prices Commission has stated that it has based its recommendations on the estimates of cost of produc-

tion of paddy for different States under the comprehensive scheme of collection of data by the Government of India. According to these estimates, the cost of production pertaining to six States in 1976-77 ranged between Rs. 54.60 in Assam and Rs. 85.90 in Andhra Pradesh. But the figures furnished by State Government are far higher than the estimates worked by Central agency.

The following table shows the cost of cultivation of paddy per quintal furnished by States:

	(Rs. per quintal)
Maharashtra ..	116.20
Tamil Nadu ..	117.72
Andhra Pradesh ..	114.00
Gujarat ..	98.00
Rajasthan ..	100.00
Kerala ..	94.90
	to
	122.15
Karnataka ..	91.25
Delhi ..	113.72
Himachal Pradesh ..	108.05
Haryana ..	90.00
Punjab ..	87.00
Bihar ..	91.00
West Bengal ..	89.00
Orissa ..	65.00
Jammu & Kashmir ..	86.00
Uttar Pradesh ..	76.00

Source: Eastern Economist, October 1978

Even then, the price recommended by Agricultural Prices Commission falls below the cost of cultivation which it has worked out for Andhra Pradesh.

This raises two vital issues:

1. Whether fixation of support prices procurement price below the cost of cultivation is justifiable; and
2. How a uniform price for the country as a whole is workable in the midst of regional variation in the cost of cultivation.

Even within the State, the cost of cultivation differs from district to district. The cost of irrigation through tube wells, pumpsets and diesel engines is higher than the flow irrigation. Water rates vary according to ayacuts served by different irrigation sources. Above all, the penal rates are also imposed on the

THE ESTABLISHMENT OF THE AGRICULTURAL PRICES COMMISSION MARKS THE BEGINNING OF A NEW ERA IN THE EVOLUTION OF AGRICULTURAL PRICE POLICY

cultivators. Wage rates also vary from district to district. Even higher wages do not attract labourers for agricultural operations during the peak sowing, transplanting and harvesting seasons. Even in the rural areas, workers prefer a less arduous job fetching more wage. Against all these odds, the farmers raises his crop. And when finds the price offered to his produce is too low, which does not even fetch him the actual cost incurred by him for producing the crop, his condition becomes worse. Even now, the farmers in Thanjavur district could not get Rs. 40 per bag of Kuruvai paddy although according to the price fixed by Agricultural Prices Commission for a bag works out to Rs. 48.

The farmers in Punjab and Haryana particularly derive maximum advantage from the price policy. Their cost of cultivation is relatively lower than in the predominantly rice growing States of Andhra Pradesh and Tamil Nadu. Secondly, paddy in Punjab and Haryana is more or less a commercial crop as a substantial portion is sold away in the market. Over the years, the difference between wheat prices and paddy prices has widened because of higher price recommended by the Agricultural Prices Commission for wheat. The following table gives the procurement prices for paddy and wheat:

Procurement Price (Rs. per Quintal)

Year	Paddy		Wheat
	Rs.	Rs.	Rs.
1965-66	39.82	59.27	
1966-67	42.53	78.32	
1967-68	50.10	76.00	
1968-69	51.27	76.00	
1969-70	52.44	76.00	
1970-71	53.30	76.00	
1971-72	53.14	76.00	
1972-73	54.18	76.00	
1973-74	70.00	105.00	
1974-75	74.00	105.00	
1975-76	74.00	105.00	
1976-77	74.00	110.00	
1977-78	77.00	112.50	
1978-79	85.00	..	

Source: Eastern Economist, October 1978.

Procurement prices are weighted average procurement price.

The difference between paddy, wheat price in 1965-66 was Rs. 20 which has increased to Rs. 35.50 in 1977-78. Going by the actual procurement prices for various years, it is seen that in 1966-67 wheat price was enhanced by nearly Rs. 16- from Rs. 54- to Rs. 70 whereas in the case of paddy the increase was just Rs. 5 from Rs. 36- Rs. 41-. The disparity was further widened in 1973-74 by the increase of wheat price by Rs. 29 from Rs. 76 - to Rs. 105 - per quintal whereas in the case of paddy, the increase was Rs. 22- per quintal from Rs. 48 - to Rs.70-

This shows that the price policy pursued by Agricultural Prices Commission neglected the interests of paddy growers. Paddy cultivation is no less arduous than wheat. Further, paddy crop is more susceptible to pest attack than wheat. In fact, the paddy growers had to take greater risk and for that they have to get a better deal. There is absolutely no justification for such a wide gap of nearly Rs. 35.50 per quintal in the procurement prices of wheat and rice. It is high time that the imbalance is rectified for establishing parity of return to the cultivation of these crops.

Yet another disparity is in the subsidy element for wheat and paddy. The total food subsidy has been estimated at Rs. 560 crores per subsidy works out to Rs. 23 - per quintal, coarse grain Rs. 13.24. But the subsidy element in respect of rice was a meagre, 4 paise per quintal. By allowing a higher increase in the procurement price of wheat, the Centre bears a very huge subsidy. But the rice growing States' plea for increase in the procurement prices of paddy has been negated on grounds that it will push up the general level of prices, and increase the burden of subsidy.

Fair Deal for Paddy Growers

By all accounts, the paddy growers did not get a fair deal in the price policy pursued by the Union Government. Though it is claimed that market prices are always higher than the support procurement prices announced by the Government and that only a portion of the marketable surplus of the farmers is procured at the pre-determined prices, this argument does not carry weight.

In times of bumper crops, the prices sharply decline at the time of harvest. The government machinery is not fully equipped to buy all the food grains that the farmers are willing to sell. Due to poor marketing facilities, the prices at times fall below the support procurement prices during the peak harvesting period. The withholding capacity of a majority of the farmers is very poor and they have no option but to sell their produce immediately after the harvest.

To overcome this, facilities must be provided to the farmers by which they can store the foodgrains and get an advance of 50 to 60 % of the value of the produce stocked to meet their immediate financial requirements. Adequate storage facilities may be created in important production centres and as adjuncts to regulated markets. The existing co-operative godowns, Warehousing Corporation godowns may also be utilised. If the farmer himself provides adequate private godowns for stocking the produce, it may also be accepted after ensuring the security of the godown. The co-operative Marketing Societies, Warehousing Corporation and also the Nationalised Banks may extend the advance to the farmers against the products. This would help the farmers to overcome the distress sale and the dependence on traders. When market position improves, they can sell the produce and get a better price.

The sudden decisions of the Union Government to impose a ban restriction on the export of agricultural commodities like onion, vegetables and fruits, groundnut result in a steep fall in the prices of these commodities. The tendency of the farmers is that if a particular commodity is fetching a higher price, a large number of farmers go in for the crop in the succeeding season with the expectations of higher price. The enterprising farmers who have raised these crops with high hopes of better prices are caught unawares, by the export policy of the Government which depresses the prices. Similarly, certain decisions on the import of cotton, rubber have a depressing effect on the domestic Prices. While I agree with the Government's keenness to maintain the internal price level and increase the domestic availability of these commodities, the producers' interest must also be taken into account while taking such decisions.

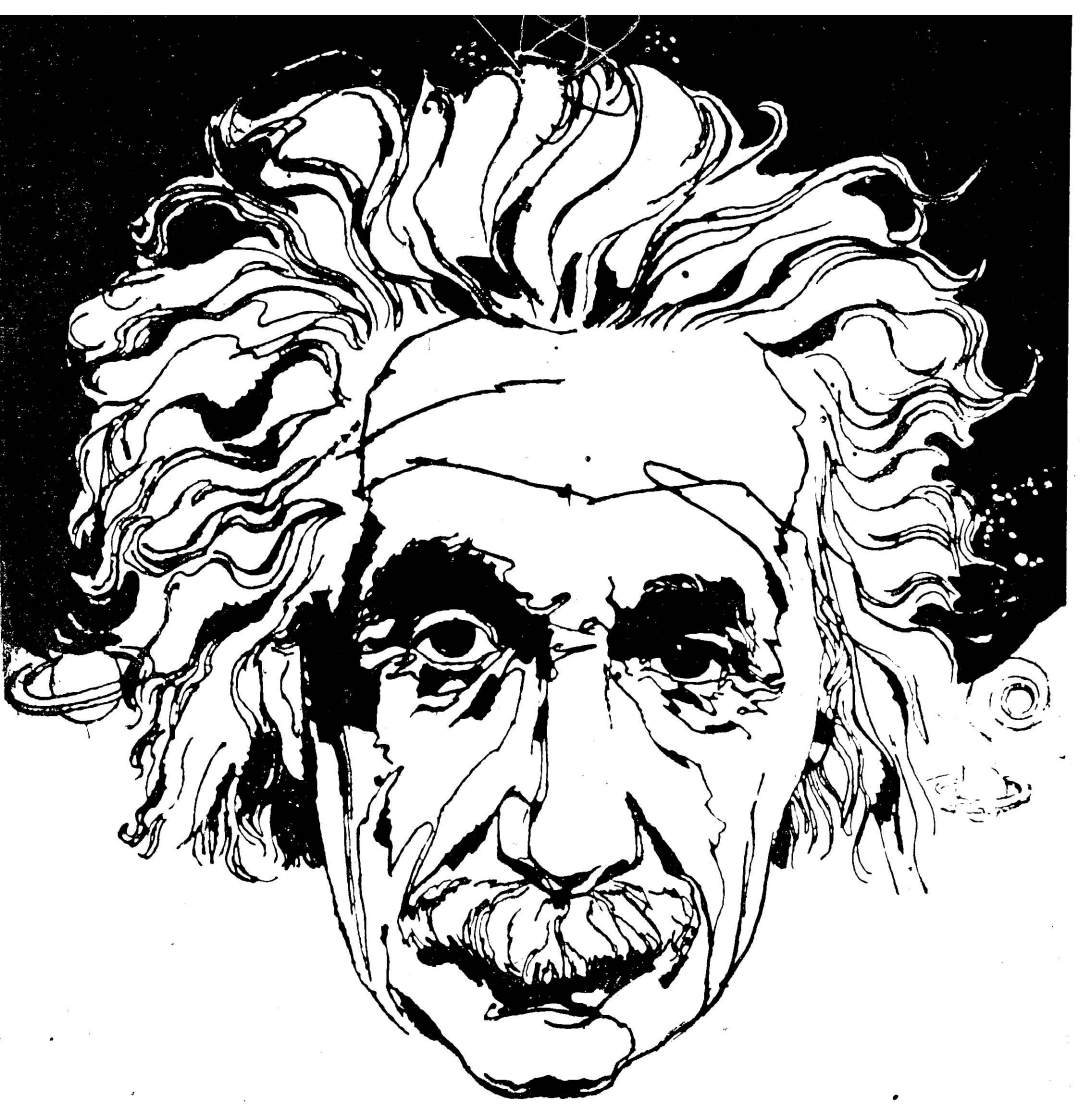
Sugarcane

Sugarcane prices paid by the factories to the farmers are linked to the recovery rate of sugar. The recovery rate varies from factory within the State. The recovery rates of sugar factories in Maharashtra and Andhra Pradesh are high. I understand that some factories are indulging in malpractices to show the recovery rate at low levels. The poor peasants are deprived of their legitimate return by such unfair practices of the factories.

We have been emphasising that the production of vegetables and fruits must be stepped up as they are essential for improving the nutritional standards of our people. It was reported in Hindu—a few weeks back—that the vegetable (brinjal) growers who brought their produce to the market in Mettur were offered less than 10 paise per Kilo. The farmers, finding the prices very unremunerative decided to feed their cattle with that, rather than selling the same time, brinjal was selling at a very low price. But at the Rs. 1.50 per Kilo in Madras city. My own experience of raising tomato, some years back is not very different from the brinjal cultivators of Mettur. We must think of establishing a marketing network for the perishable commodities like vegetable and fruits which assures a fair price for the cultivators of these crops.

To conclude, the price policy must be production-oriented and help the farmers to get a fair return on his costs. Regional variation in the cost of cultivation of crops must be taken into account while determining the prices. The discriminatory treatment now meted out to paddy grower must be eliminated and parity in prices must be established between paddy and wheat. Marketing arrangements must be improved so that at times of bumper crops, the entire marketable surplus offered by the farmers must be procured at the procurement prices determined by the Government.





Albert Einstein

Dr. Sarasa Bharati, M.D., Ph.D.

When Albert Einstein was born in 1879 as the son of a German Jew in Ulm (Germany) not even his fond parents had any inkling of the fame which was subsequently to be his. As a child there was little in him which showed up to warrant any attention and on the contrary, he was a shy boy not even accepted in the games of his fellows, and did quite poorly at school. He heartily disliked most subjects especially the study of languages and was extremely tardy in preparing his lessons. Formal schooling methods practiced in Germany in those years including memorization and recitation of subjects, created a thorough dislike of the subjects taught with the exception of two of them, in which he evinced an interest quiet out of the ordi-

nary. These were mathematics and natural sciences.

Two events seem to have not only captured his imagination but were to be largely responsible for shaping up the course of his life.

One was the acquisition of a compass by his father. This little instrument so fascinated Albert, that he kept wanting to know more about its working and plied both his father and his uncle Jake who exhausted their knowledge of the concepts of magnetism and gravitation. But these were insufficient, as far as Albert was concerned and from then onwards, he started reading avidly all books he could lay his hands on regarding this subject. At this time, a young medical

student, Max Talmey by name visited his home and loaned many of his books on Natural Science and mathematics. These were grabbed and devoured in earnest by the little boy whose prowess in these subjects began to be appreciated. Soon his knowledge of mathematics, algebra and geometry mastered all by himself in long solitary hours of study, began to be widely known and the effects were felt by all those who came in contact with him. However, one great disadvantage of his wide learning, Albert discovered, was, the great-resentment, he stirred up among his teachers, who could not tolerate a hitherto unknown and apparently-careless student suddenly emerging as a master in mathematics and allied subjects. The direct result of this was that he was asked to leave his school.

Einstein then found admittance in the Polytechnic Academy of Zurich, Switzerland where he at last found the freedom and excellent atmosphere of comradeship which he had yearned for. It was here he learnt to play the violin and even attended the opera. Soon, however, he had to earn a living for himself and so took up a job as a teacher. He did not shine in this job as his talents were oriented more towards research rather than lecturing to students. It was no wonder that he resigned this job and took on a clerical post to support his family. Though the work was unrewarding, he found time to continue his own studies privately and in 1905 published his first essay on the Theory of Relativity which was later to bring him plaudits from the entire scientific community.

The event which stirred up Einstein into essaying the theory of relativity was the experiment performed by two American Scientists, Michelson and Morley who tried to show that the speed of a beam of light when travelling in the direction of the earth's motion around the sun was greater as compared with its speed on moving at right angles to the orbital direction. Though their experiments were a failure Einstein reasoned that they had failed only in so far as their beliefs were concerned and that the facts were true that the speed of light in both directions, was the same. Einstein after a good deal of thought and deep study came up with the profound reasoning that the speed of light is the one quantity which is always the same and everything else was relative. Everything in the earth and in the Universe is in constant motion, from the tiniest electron making up solid substances to the planet and stars themselves.

Einstein's own answer when asked by a youngman to explain his famous theory of relativity is not only classic but has become a legend in itself., "Young man a half hour sitting next to a furnace appears like hours whereas the same 1/2 hour with a girl besides seems like minutes". It is very little that one can add to this answer which displays a deep insight into human nature as well.

Einstein's theory was responsible for the great upheaval in a number of disciplines- Time which was felt to be a constant and unvarying factor, by Newton, was proved to be a variable. Thus a fourth dimension was added to the three commonly accepted dimensions of space. Time was found dependent upon motion or speed. If one attains the speed of light, time would never change for him, - a year on the planet Jupiter is longer than a year on earth because Jupiter takes more time to move around the sun.

The concept of the ruler as a fixed measuring scale was changed when it was found that a ruler moving at great speed would appear to grow shorter, as its speed approached the speed of light. Also, as objects move faster, they grow heavier.

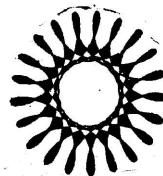
Everyone of his statements were later worked out by the many complex mathematical formulae and found absolutely correct.

As if these were not enough in themselves to assure him everlasting fame, a decade later he published, again a second paper on some further aspects of relativity. Now he dealt with the forces of gravity and was concerned the idea that no absolute force of gravity pulled down objects as said by Newton but that every mass had within it a force in proportion to its mass attracting objects to it, and that this attraction force or masses was also responsible for the shape of the universe. This theory gave him the startling fact that the shortest distance between two points is not a straight line but a curve. This also formed the basis of his theory on atomic energy. His theory was that matter and energy are so closely related that matter can be changed into energy. This directly led him to state his famous formula - $E=MC^2$ in which E means the energy led in any practice of matter "m" means the mass of the particle, "X" C : speed of light. This showed that the energy obtainable from a tiny particle of matter would be fantastically high, if the acquired speed of light could be achieved. This also incidentally gave the explanation for the ability of the sun to give off heat and light from a inestiable apparently inexhaustible supply of billions of years. Based on this Rutherford, Frischand Fermi perfected a mechanism to release and control that power and man's first atom bomb was discovered.

In 1921, Einstein was awarded the Nobel Prize in Physics though not for his theory of relativity or even for his theory of conversion of mass, but for his explanation of how and why special metals emit electrons after light falls on their surface.

Though he could be called the father of the atom bomb, Einstein had a profound hatred towards war and refused to oblige his own native country during world War I. When subsequently he was hounded out of Germany for his open remarks against war as well for his Jewish background. He went away to the United States where he felt free to be able to guide scientists at the Institute for advanced study in Princeton, New Jersey.

Though Einstein was instrumental in building up the atomic bomb, he often remarked "I am absolutely convinced that no wealth in the world can help humanity forward... The world needs permanent peace and lasting good will".





Drunkness is nothing but voluntary madness", declared the wise Seneca centuries ago. In his "Epistles", he said: "Druhkness does not create vice; it merely brings it into view".

Referring to wine and gambling the Koran says: "Their sinfulness is greater than their use."

Even so sagacious a scholar as Pliny the Elder, whose writings were the delight of the ancient world, observes: "It has passed into a proverb that wisdom is clouded by wine."

In "Othella," Shakespeare exclaims: "O God, that men should put an enemy in their mouths to steal away their brains! that we should with joy, pleasance, revel and applause, transform ourselves into beasts."

In his "Essays" in which Aldous Huxley is seen at his scintillating best, he provides some explanation for the modern craving for drugs and alcohol. He says: "In The Vareties of Religious Experience", William James has touched on these metaphysical aspects of addition: The sway of alcohol over mankind is unquestionably due to its power to testi-

mulate the mystical faculties in human nature, usually crushed to earth by the cold facts" and dry criticisms of sober hour. Sobriety diminishes, discriminates and says no, Drunkness expands, unites and says yes. It is in fact the great exciter of the yes function in man. It brings its votary from the chill periphery of things into the moment one with truth.

"To the poor and the unlettered it stands in the place of symphony concerts and literature; and it is part of the deeper mystery and tragedy of life that whiffs and gleams of something that we immediately recognize as excellent should be vouchsafed to so many of us only through the fleeting earlier phases of what in its totality, is so degrading a poison. The drunken consciousness is one bit of the mystic consciousness and our total opinion of it must find its place in our opinion of that larger whole.

"We love ourselves to the point of idolatry, but we also intensely dislike ourselves—we find ourselves unutterably boring Correlated with this distaste for the idolatrously worshipped self, there is in all of us a desire, sometimes latent, sometimes consciously and passionately expressed, to escape from the

prison of our individuality, an urge to self-transcendence. It is to this urge that we owe mystical theology, spiritual exercises, and yoga—to this, too, that we owe alcoholism and drug addiction."

Mr Justice Tek Chand, President of the International Commission for the Prevention of Alcoholism, says: "Extensive researches have been conducted on mortality from alcohol by insurance companies.

In 1975, a report said: "The problem of alcoholism is on the increase in the country, specially in punjab where illicit liquor drinking has assumed epidemic proportions, according to Dr. P.N. Chhuttani, Director of the Post-graduate Institute of Medical Education and Research at Chandigarh. He said previous studies had indicated that about 25 per cent of the working class families had drinking habits and 2.5 per cent were alcoholics. In Hoshiarpur, the people make about Rs. 25,000 a head from dairying, but spend over Rs. 20,000 on liquor. In certain villages, liquor cost less than tea. In some villages, the panchayats had demanded the introduction of prohibition and had closed down licensed liquor shops solely because the entire village was engaged in the illicit liquor trade".

According to a survey made by the Commercial Editor of "The Amrita Bazar Patrika" in 1976, "Indians are drinking more hard liquor. Till 1973, beersales had been leaping up. Sales were increasing at 25 per cent per annum. Then came two price hikes-beer prices were increased by 67.9 per cent. In 1974-75 beer sale declined by 23 per cent. The younger age groups prefer beer; the older ones, whisky. Eight per cent of whisky drinkers earn only Rs. 300 to Rs. 600 a month. In the lower income groups, gin and rum are favoured. Indian-made foreign liquor is popular in urban areas, and country liquor in rural ones".

Some years ago, I was taken on a tour of one of India's largest distilleries by its general manager. To my astonishment, I found that whisky was not being distilled in accordance with the conventional method of the famous distilleries in Scotland. Instead spirit was being manufactured, flavoured with Scotch whisky and bottled under well-known brands of whisky being sold in the market. This method was adopted for producing various types of "wine" as well, with the only difference that certain famous imported brands of wine were used in place of Scotch whisky. Thus what people imagine is pure whisky or wine is in reality flavoured spirit.

I am told that beer, too, is not brewed according to the usual process in Erupoe, where fermented malt is flavoured with hops. Instead according to rumours, glycerine is used.

Rum is the only alcoholic drink that is manufactured in India in accordance with standard procedure in the West-from molasses, which is a by product of sugar factories and therefore produced in abundance in the country.

It is for the authorities to check on the manufacturing processes adopted in Indian distilleries and breweries, compare them with what obtains in the famous counterparts of the West and take penal steps against offenders in India.

Alcohol makes a splendid "servant", but a devastating "master". Physicians usually prescribe a tablespoonful of brandy with a cup of

milk daily to patients during period of convalescence after serious illness. But what makes alcohol so fearsome a foe in a country like India is that the people at large have no idea whatever of their capacity for intoxicants. What is worse, people do not know when to drink and what to drink.

- It is a common practice among men in large urban areas to drink during the lunch interval. But by doing so, they impair their mental faculties for work during the post-lunch period. It is largely for this reason that in the principal mercantile concerns, the management provides lunch to personnel in the officer cadre. Alcohol is not served and members of the staff can be depended upon to apply themselves to work, with the brains unimpaired by any toxic stimulants.

Personal discipline in the country is far more lax than what it is in the highly developed countries such as Germany. No German can ever be induced to touch alcohol during working hours, including the lunch recess. In India on the other hand, people eat when they like, what they like (even though what is ingested may not be good for the system) and wherever they like. This lack of discipline is at its lowest where alcohol is concerned.

ALCOHOL THE VILLAIN

The Geneva based World Health Organisation has warned that Governments should put health before the economic interests of alcohol producers. In a communication sent out recently, the World Health Organisation said problems linked to alcohol had increased so rapidly that they now accounted for a large proportion of the work of health service throughout the world.

Alcohol was a cause depending on the country, of 28 to 26 percent of murders 24 to 72 per cent of assault and battery, and 13 to 50 per cent of rapes.

Courtesy: INDIAN EXPRESS.

In the West, people ingest a considerable amount of nourishment-ample enough to absorb the comparatively large quantities of alcoholic drinks imbibed. But here the calorific intake is appallingly poor. Moreover, the quality of meat, poultry and eggs is abysmal. In these circumstances, the ravages of alcohol are truly frightening. I have known of highly paid men in large mercantile concerns who have become victims of tuberculosis because of heavy drinking. In contrast, people in the Soviet Union have a prodigious capacity for alcohol, but they fortify themselves with ample quantities of vitamin-rich food.

Because of the average Indian's alienation from discipline, he becomes a prey to alcohol very easily and once alcohol asserts its mastery there is very little its slave can do to free himself from the all enveloping coils.

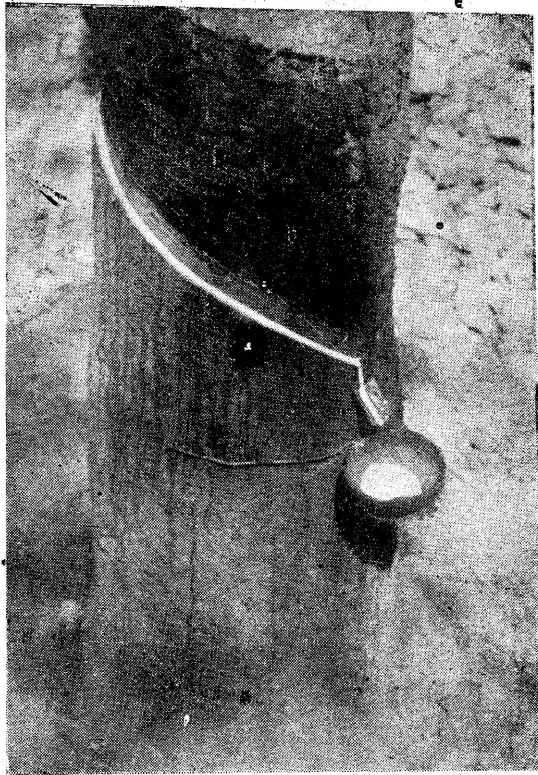
In the existing circumstances, the country is far too poor, far too backward to allow its citizens to debilitate their systems, and thereby their capacity for work, already dangerously below par, by partaking of alcoholic drinks. Instead of succumbing to their temptations, the people should be encouraged to eat more and better and they should be told what to eat and what to eschew. The greater the ingestion of vitamins, the greater will the capacity for work be, and productivity will increase correspondingly.

By being allowed to drink in the present climate, Indians will be encouraged to be their own worst enemies. National construction and bibulousness cannot go hand in hand. India has miles to go before she can come abreast of the more prosperous nations even of Asia. To foster repression and inhibitions may not be kind, but it would be better to keep people away from alcohol and make some headway towards progress and prosperity than to permit indulgence and condemn the entire country to unlimited period of poverty and backwardness.

As Somerest Maugham says, "The only way to be strong is never to surrender to one's weakness".

—Charles Newton

Courtesy: FREE PRESS JOURNAL



RUBBER

-ITS MANIFOLD USES

Rubber is one of our most interesting and most important raw materials. Natural rubber comes from the juice of a tree. Synthetic rubber is made from chemicals.

Rubber is especially useful for several reasons. It holds air, keeps out moisture, and does not conduct electricity. But its chief importance to us is that it is elastic. When you stretch a rubber band and let it go, its elasticity makes it quickly spring back to its original shape. A rubber ball bounces because of this same springiness. Your rubber heels absorb shock when you walk because they have elasticity.

We depend so much on rubber that it would be almost impossible to get along without it. This is the case with most other materials.

Rubber is elastic, airtight, water-resistant, shock-absorbing, and long-wearing.

Manufacturers use rubber to make waterproof aprons, boots, raincoats, gloves, and hats, and to give elasticity to other types of clothing & household fabrics. Hard rubber goods include hair combs and automobile storage battery cases. Doctors use rubber hot-water bottles, ice bags, syringes, elastic tapes, and surgen gloves. Hearing aids, iron lungs, oxygen tents, and many other pieces of equipment have rubber parts.

Swimmers wear rubber bathing suits and caps, goggles, and ear stoppers, and sun-bathe on rubber rafts. Many sports are played with rubber balls that range in size from small golf balls to large beach balls. Other rubber products include thread, bottle stoppers, toys, jar rings, elastic bands, rubber-based paints, erasers, and floor coverings.

Air pockets in sponge and foam rubbers make them springy. Manu-

facturers use such kinds of rubber for cushions, mattresses, pillows, and upholstery padding. They are also used as an insulating material. They are also used as an insulating material. For example, some shoes have a layer of foam rubber next to the leather to keep out the cold.

Rubber cement can be used to hold pieces of paper together, but the pieces can be pulled apart easily. This cement is made of solution of raw natural rubber in a solvent such as gasoline or benzol. The solvent evaporates, and the sticky rubber holds the paper together.

Natural Rubber

Latex is found in many kinds of trees and plants. You can see latex oozing from the broken stem of a dandelion or from a cut branch of golden rod. Latex is still something of a mystery of scientists. They know that it is not a sap,



but they are not sure of its use to the plant. Scientists believe that it acts as a protective substance when a plant is wounded.

Chemical analysis shows that about 30 to 35 per cent of latex consists of pure rubber. Water makes up another 60 to 65 per cent. The remainder consists of small amounts of other materials such as resins, proteins, sugar, and mineral matter. Latex holds little globules (particles) of rubber in the same way that milk holds butterfat. Latex spoils easily and must be processed into crude rubber as soon as possible after tapping. This is done by separating the natural rubber in the latex from water and other materials. About 99 of every 100 pounds of natural rubber comes from the latex of the *Hevea brasiliensis*. This is the tree that we call "the rubber tree".

The Rubber tree: The hevea tree grows best in hot, moist climates in deep, rich soils. The finest rubber growing regions lie within a "rubber belt" that extends about 700 miles on each side of the equator. Almost all natural rubber comes from huge plantations of rubber trees in the Far East.

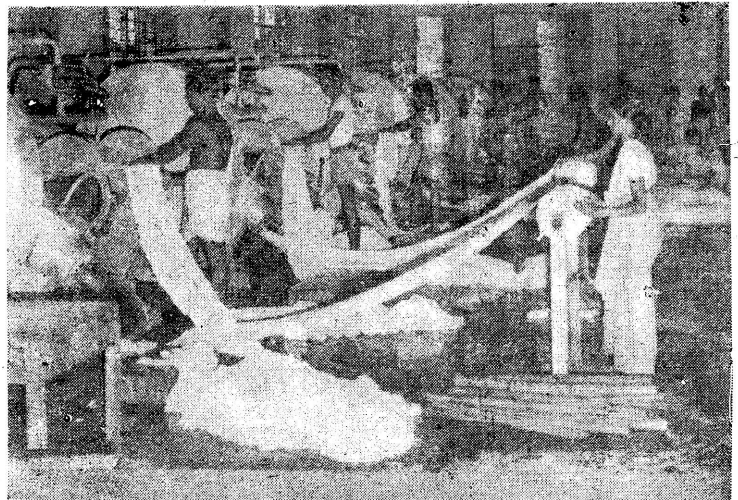
The rubber tree cultivated on plantations grows straight and slender, about 60 to 70 feet tall. It has smooth, light-colored bark and shiny, dark leaves. When its pale yellow blossoms fade, seed pods grow in their place. Each pod

contains three brownish, speckled seeds about an inch long. The latex containing the rubber flows through a series of tubes in the trees' cambium layer, the outer wood layer directly under the bark. When this layer is pierced, the milky white latex oozes out. Botanists work continually to improve the hevea tree. By grafting and careful breeding, they have developed trees that produce more than six times as much natural rubber as the wild hevea. They hope to increase the yield of latex by giving hormones and vitamins to the tree.

Tapping the Tree: Rubber plantations employ workers called tap-

pers who collect latex from the trees. A tapper starts tapping trees at daybreak, because the latex flows most freely in the cool morning air. He carries a gauge, a long, sharp knife with a curved blade. The tapper cuts a narrow groove in the bark of a tree about four feet above the ground. The groove slants diagonally downward about halfway around the trunk. At the bottom of the cut, the tapper attaches a V-shaped metal spout, and below it, a small cup. Latex oozes from the cut and flows down the groove through the spout. The spout directs the juice, drop by drop, into the cup. The tapper then moves to another tree and cuts it in the same way. He taps about 350 trees on one round of tapping. This task takes about three hours. After tapping his last tree, the tapper makes a second round to collect the latex. At each tree he collects about a teacupful of latex. He empties the cups into a large pail and carries the latex to the plantation's collecting station. Here, the latex is turned into crude rubber.

Some plantations tap the trees every other day. Other plantations tap every day for 15 days, and then allow the trees to "rest" for 15 days. On each tapping, the worker slicks off a thin shaving of bark from the bottom edge of the groove and pierces the cambium layer. He again lets the latex drip into the cup. He does not cut too far into the cambium layer, because deep cuts that go into the wood harm the tree. After three or four years, the groove reaches the ground, and the tapper cuts the bark on the opposite side of



the trunk. By the time the second groove reaches the ground, the bark has grown back on the first groove and it can be tapped again.

Workers begin to tap rubber trees about five to seven years after planting. But younger trees do not give so much rubber as they do about the tenth year, when they are fully grown.

Separating the Latex: Most plantations make crude rubber from latex by coagulation. Tappers pour latex from their collecting pails into tanks and add an equal amount

rollers that squeeze out the water. One type of roller produces sheets of crude rubber that have a ribbed appearance. These sheets are hung to dry for several days in a hot smokehouse. The smoke turns the rubber brown, and kills molds and bacteria that would rot it. The workers press the dried sheets into 224-pound bales for shipment to market. This form of crude rubber is called ribbed smoke sheet.

Processing Latex: Sometimes, all the latex collected on plantations is not coagulated. Workers place part of the fresh latex in machines

It gives strength, hardness and elasticity to rubber by treating it with heat and vulcanizing agents such as sulfur. During vulcanization, the heat causes the sulfur to combine with the rubber and cure it. This makes the rubber stronger and more durable. Generally, the more sulfur that is added, the firmer the vulcanized compound will be. A compound containing one-third sulfur and two-thirds rubber vulcanizes to form ebonite, or hard rubber. Manufacturers use benzoyl peroxide instead of sulfur to vulcanize agents, including tellurium, selenium

**STATEMENT SHOWING THE PRODUCTION OF RUBBER IN
THE GOVERNMENT RUBBER PLANTATIONS,
KANNIYAKUMARI DISTRICT — NAGERCOIL**

	<i>Production during 1976-77</i>	<i>Production during 1977-78</i>	<i>Production during 1978-79 (upto December '78)</i>
	Kgs.	Kgs.	Kgs.
TOTAL	9,50,290	12,38,884.15	11,96,162.40

**STATEMENT SHOWING THE SALE OF RUBBER IN
THE GOVERNMENT RUBBER PLANTATIONS,
KANNIYAKUMARI DISTRICT—NAGERCOIL**

1976-77		1977-78		1978-79 (upto December)	
<i>Quantity</i> Kgs.	<i>Value</i> Rs.P	<i>Quantity</i> Kgs.	<i>Value</i> Rs.P	<i>Quantity</i> Kgs.	<i>Value</i> Rs.P
13,79,320	69,63,508.00	14,24,810	77,10,807.35	13,05,105	1,11,58,608.05

of water. They strain the diluted latex through sieves to remove dirt and bits of bark or twigs that may have fallen in during the tapping process. Formic acid is then added to the strained latex to make it coagulate, or form solid particles. Acid thickens latex in much the same way that vinegar curdles milk. The rubber particles rise to the surface of the liquid and form a doughy white mass of crude rubber.

Processing Crude Rubber: Workers feed the crude rubber through

called separators, similar to those used by dairies to separate cream from milk. These machines remove part of the water from the latex. Ammonia or some other preservative keeps the latex from coagulating and prevents spoiling. The preserved liquid latex is sent to market in drums or tanks. Rubber manufacturers use latex to make articles such as surgeon's gloves, foamed-latex mattresses, and furniture upholstery.

Vulcanization is usually the last step in preparing a final product.

and certain benzene compounds. These agents are seldom used commercially, because they cost more than sulfur.

Vulcanization may take from a few minutes to several hours. Small products such as toys and shoe soles require about 5 to 7 minutes, but large products such as tires take from 45 to 60 minutes. Compounds containing accelerators and sulfur vulcanize faster than plain sulfur compounds without accelerators.

Manufacturers vulcanize and shape molded products at the same

time by heating the molds under pressure. They vulcanize extruded and sheet products on pans in hot-air or steam chambers. Dipped products are vulcanized in hot water, hot air, or open steam before being removed from the molds. Foam products in molds are vulcanized in steam chambers or boiling water.

Kanyakumari District is ideally suited for the growth of natural rubber and it has been known for its excellent rubber plantations. The area was noted for its luxuriant mature timber forests and about 15,000 acres of rubber plantations, under private ownership. Since the District was the only tract in Tamil Nadu suitable for the planting of rubber and mature forest areas were available in the Reserved Forests for planting rubber, the Forest Department of Tamilnadu prepared a scheme for raising 1200 ha of rubber plantations over a period of six years at an estimated cost of 34 lakhs of rupees. In pursuance of this scheme, rubber planting started in 1960 and by 1965 the targetted area of 1200 ha was planted up. Since the initial efforts at raising rubber plantations were successful planting was extended to larger areas and it is still being continued. To date about 4375.20 ha have been planted up with rubber and it is proposed to plant 400 ha during 1979-80. The details of planting division wide are as below:-

1. Keeriparai	—486.60	ha
2. Karaliar	—463.40	ha
3. Manalodai	—535.00	„
4. Kalikesam	—434.80	„
5. Mylar	—587.10	„
6. Chithar	—496.60	„
7. Kuthiar	—496.80	„
8. Kallar	—445.40	„
9. Marutham-parai	—429.50	„
Total	4375.20	ha

Of these, the first six divisions are under tapping. There is one factory at Keeriparai producing sheet crepe rubber and concentrated latex with an annual revenue of about 1.5 crores of rupees for a tapping area of 1490 ha.

As further areas will come for tapping two more factories are being built—a sheeting Factory at Manalodai Division and a Crumb Rubber Factory at Mylar Division. Infrastructure like labour lines are still being built annually. The best planting materials have been used in the plantations and the clones

urged are known to be very high yielding ones.

Normally, Rubber plants start yielding from the 7th year onwards. The maximum yield is obtained in the 14th year and varies from 1250 to 2000 Kgs, per ha in a well stooked clonal plantation. The cost of raising one hectare of rubber plantation is Rs 3000/- in the first year, Rs 6000/- from the second to seventh year and Rs. 2000/- thereafter for maintenance and Rs. 2,200/- for tapping operations annually. Offices, staff quarters and labour houses will cost about Rs. 4000/- per ha, while establishment, maintenance of buildings vehicles and roads will cost a further sum of Rs. 2200/- per ha. The establishment of one hectare of plantations with all infrastructure will therefore cost about Rs. 15,000/- per ha. As mentioned earlier, maintenance for plantations under tapping will cost about Rs. 4,200 per ha with an average annual yield of 1250 kgs, per ha which at 8.00 per Kg. would yield a revenue of Rs. 5,625 per ha or a profit of nearby Rs. 10,000/- per ha. Where infrastructure has been built, better return can be expected.

In Government Rubber plantations about 2000 workers males and females are employed regularly. Most of them are provided with quarters and also given water supply, medical recreation and education facilities, electricity, etc.,

In the two divisions—Chithar and Kuthiar—formed for rehabilitation of Sri Lanka Repatriates, all labour is houses within the plantations. So far 223 repatriate families have been absorbed in Government Rubber plantations, under this scheme. The families are provided free housing, water supply, primary education for the children, medical and other facilities.

So far 530 houses have been provided.

The workers employed in the Government Rubber Plantations are paid wages as follows:

	Grade-I	Grade-II
1. Field workers	8.66	8.28
2. Tappers		8.96+
	over	
	kilo wages for both grades.	
3. Factory workers	9.16	8.73

A statement showing the production of rubber and the quantity sold and the revenue realised during the last three years is furnished in the pre-page.

—V.R.

TAMIL NADU AND PONDICHERRY EXCEED NATIONAL SAVINGS TARGET

Tamil Nadu and Pondicherry region of the National Savings Organisation has exceeded the target for net collection for 1978-79 with a record collection of Rs. 42.24 crores as against the target of Rs. 37.78 crores. During the same period last year the net collection was only Rs. 24.20 crores. According to the present tempo of collection this region hopes to cross Rs. 50 crores mark by March 1979. The sale of National Savings Certificates and National Development Bonds has increased 300 per cent. It had gone up to Rs. 6.30 crores as against Rs. 2 crores during the first 10 months last year. The most outstanding performance was under Post Office Time Deposit which went up from Rs. 22 crores to Rs. 31 crores during April 1978 January 1979. Post Office Recurring Deposit collection also went up from Rs. 8.22 crores to Rs. 9.75 crores.

Tamil Nadu and Pondicherry region has also exceeded the physical targets. Under the Agency Development scheme the achievement so far is over Rs. 3 crores as against the target of Rs. 1.1 crores. Under Pay Roll Savings Scheme over 11,00,000 employees have been enrolled as against the target of 10,50,000. This region continues to be in the forefront in this field. In the field of women agency also this region has collected about Rs. 65,00,000 as against the target of Rs. 40,00,000.

Under the School Savings Programmes called 'Sanchayika' also this region has exceeded the target by enrolling 11,12,259 students as against the target of 10,00,000 membership.

Among the districts Coimbatore has been outstanding with a net collection of Rs. 3.93 crores as against the target of Rs. 2 crores. Other districts like Tirunelveli, Salem North Arcot, Tiruchirappalli, Kanyakumari and Nilgiris has also exceeded their targets by December 1978 itself.

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POPULATION & SOCIAL CHANGE

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One of the greatest challenges of modern times is the unprecedented growth of population. The necessity for checking the population growth needs hardly to be emphasised. We are facing a great crucial problem, and on its solution depends better living standards of the people and the economic progress of our country. Although considerable success has been achieved in the matter of food production thanks to the 'green revolution', the gains may be nullified by the rapid increase in population. So will be the case with regard to the industrial development and other sectors of economic growth which do not keep pace with the growth of numbers.

A dramatic decline in death rate in recent decades, accounts for the population explosion. When the number of births per 1,000 population exceeds the number of deaths per 1,000 population, we begin to feel the gravity of the situation. A zero degree growth rate, the only solution to this problem, seems to be the wishful thinking even in the developed countries. The true index of a developed society is the provision of better medical and health facilities to its members which in turn reduces the death rate and increases the longevity of the people. The more the people, who are in the reproductive age group are saved from the pangs of death means more number of babies every year.

INDUSTRIALISATION AS MOTIVATION

It has been rightly stated that mechanisation and industrialisation will change the mentality of our people for having more children. Industrialisation will reduce the need for larger families and thereby serves as a motivation to reduce the population size. In several advanced countries, this has created pressures for reduction in family size. Hence it has been advocated that 'Development is the best contraceptive.' As far as our country is concerned, which is predominantly agricultural

in nature, it will take several decades for indirect motivation towards small family through industrialisation. Our country with the present rate of growth can hardly wait for this motivation.

SOCIAL CHANGE

Hence the solution relies upon the social change, a change in the thinking, attitudes and behavioural patterns of the people in relation to the size of the family, favourable towards 'Small Family Norm.' Hence the National Family Planning Programme aims at the quick social change. Our communication and motivational work only seek to bring this enlightenment rather quickly. In this connection, one cannot fail to recognise the fact that the people's mores can change only if the process of change is initiated through their respected and recognised leaders, their trusted media of information and entertainment.

SOCIAL LIFE

The social life of the rural people who constitute a major portion of our population, is to a great extent governed by customs and conventions with religious orientation. Anything new will be viewed with suspicion. So, this new concept which is related to their conjugal life may not easily be accepted. Hence we choose their trusted leaders who happen to be the gatekeepers of the society, for the transformation of this new knowledge with an ultimate aim of the change of attitude towards small family. This new information is being spread through the selected mass media to which they are accustomed to.

RAPID GROWTH OF YOUNGER GENERATION

During recent years, there has been considerable decrease in death rate due to better medical and health facilities. As a result of these, the proportion of population below 15 years is almost two times higher than that in developed countries.

According to available statistics the proportion of population under 15 years is 49.2%. The corresponding figures for the United Kingdom is 23.61%, France 24.6% the United States of America 30.5%. The speed at which a country develops depends largely upon its ability to direct a larger part of its growing resources to investment rather than current consumption. A growing population with a high proportion of dependant children will find it increasingly difficult to do so.

NEED FOR POPULATION EDUCATION

So far, we have been concentrating upon the eligible couples, who are in the reproductive age group, for motivating them to adopt any one of the Family Planning methods. Now, we find yet another important group which is almost half of the total population, of which a sizable portion enter into reproductive age group every year. They are going to become the parents of tomorrow.

POPULATION EDUCATION

In the recent years, a new terminology 'Population Education' has emerged as a more comprehensive concept for helping the younger generation to realise ecological impact of the population problem on the individual, family and citizens of the country in meeting this problem. "Population Education", says Dr. Chandrasekar 'is not sex education, nor is it education in the various techniques of birth control. To me it is the economics, sociology and statistics of the growth of population, its distribution and its ultimate economic and social consequences in relation to a welfare economy."

POPULATION EDUCATION FOR GIRLS

The aim of this education is to educate the students about the demographic aspect of family planning. The students who are in the fertile age group, have a right to

have the basic understanding of population dynamics including the growth rate and its determinants, the relationship between population growth and socio-economic development. They should also be made to know that the size of the family is controllable and that high quality of life for each person, can be attained only in small family. Special efforts should be taken for educating girls on these lines since it has been found in most of the developed countries that economic emancipation of women couples with slow growth of birth rate and a desire to have small family.

It has been rightly stated by the rationalist leader of Tamilnadu, Thiru E. V. Ramasamy, during an interview to All India Radio on Family Planning, that, educating a girl atleast to a degree course helps the National Family Planning Programme to achieve its aim. Firstly, it helps to raise the marriageable age, and reduces fertility span. Secondly, it gives an economic standard and a social status for her in the society. Thirdly, it gives a pressure on her partner to give the rightful share of deciding the number of children they should have.

It is also essential that the school going girls also to be educated atleast in the higher standard since most of them enter into the reproductive age group before they leave the school and who are more in number than the fortunate ones in colleges.

MEASURES FOR IMPLEMENTATION

It has been pointed out by experts in the field of Education that the content of population education should be suitably incorporated in the existing syllabus. Any addition in the existing syllabus may not yield the desired results. Hence, till it is suitably incorporated in the syllabus by concerned authorities the following measures may be taken ;

1. The University may institute a chair on Population Education for proper planning and guidance on the subject.
2. The college authorities may arrange for extension lectures on Demography, Population Education for the benefit of the students.
3. The teacher training colleges may invite eminent persons

in the field of Population Education not only for delivering lectures but also guiding the teacher trainees for developing projects on the theme of population education.

4. Periodical seminars and symposiums may be conducted at the college level.
5. The colleges may arrange exhibitions highlighting the theme of Population Education in collaboration with the Department of Family Planning.
6. The subject of population education may be included during the regular debates, essay writing and elocution competitions conducted by the Colleges.
7. The students, during their vacation, may visit the adjoining rural areas for the spread of the message of Population Education to the unfortunate brothers and sisters who had no opportunity to study and to those who have discontinued their studies in the middle due to various reasons.

Notification from the Accountant-General

General Review of General Provident Fund Accounts of Subscribers with suffixes "A.I.S.", "Regn." and "L.R."

The Accountant General has made a general review of the General Provident Fund Accountants of subscribers with the following suffixes from the time they joined Provident Fund till 31-3-78.

- | | | |
|-------------|-----|-------------------------|
| 1. A. I. S. | ... | All India Services |
| 2. Regn. | ... | Registration Department |
| 3. L. R. | ... | Land Revenue |

The results of the review have been communicated to all subscribers through the Head of the Office in which they worked in March 78 last. Where addresses are not correctly available, the communication are being sent to the Liaison Officer nominated by the Head of the Department.

Subscribers are requested to furnish to the Accountant General through the Head of the Office the particulars called for by the Accountant General in respect of Missing Credits/Debits so that their Accounts could be completed. In case of difficulties, they are requested to contact the Liaison Officer relating to their departments.

(Sd/-) ACCOUNTS OFFICER

The World Is YOURS

Dig Dig Dig

Dig a pit deep down to the underworld

Precipitate and sink

Down down down you go

Go headlong down

Oh, You insect wallowing in slush

Bow your head, hang down your face,

Droop your shoulders, loose your lips

Contract your mean head, body and soul

And lick and declare

To do so is fine and fit.

Cringe, creep and crawl

much lower than a dog could do.

Bend, cling to the lowly dust

and shrink within like a tortoise.

You spotted beetle and toad



—BHARATI DASAN

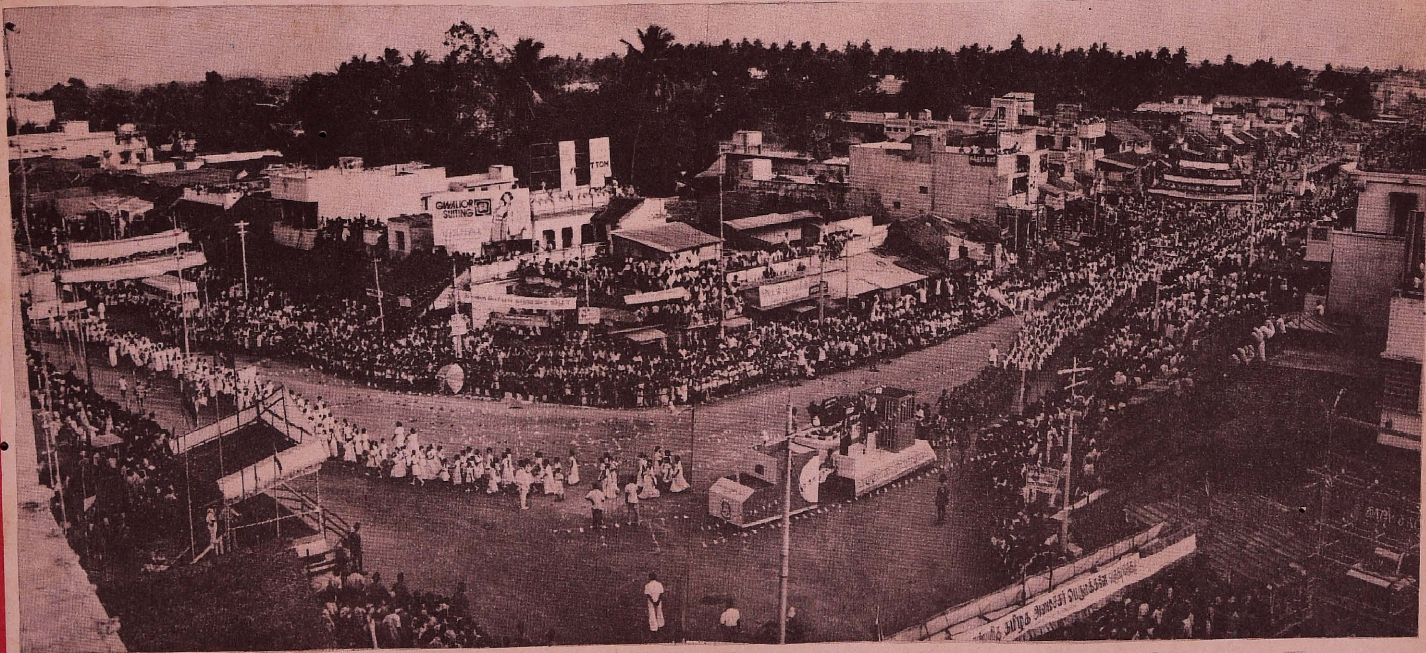
*Cry, bare your teeth in
suppliant smile, bend, tremble
and blabber.
You indelible stain on the blackness
of the darkest night !
A segment of the sagging sinews
Lo, Look, Listen !
Thou art a man just like other men,
not dust
Ope thine eyes, Stand upright,
Square thy shoulders
Lift up thy face
twist up thy drooping moustache
Light up thy world with thine
wakeful eyes
Sound thy heart in joyous laughter
Lead the world
Pull down the walls that stand between
thine house and thy neighbours'
Remove the curtain that
separates street from street,
Break all barriers and
Bring all nations together.
Onward go, upward go
Make thine ascent up the mounts
that touch the skies*

*Climb up and go on
Stand thou there and look all around.
Look around, about, below
Look upon the peoples of the world
Look upon the expanse of humanity
Aye, look upon the legions
that were born with thee.
Look on the oceans of men who
took thee to them as theirs;
Cry out "They're mine" and rejoice.
Expand thy mind unto the
Limitless space beyond all bounds
Devour these men with thy widened eyes.
Brace them; Blend with them
and sing thou art the human ocean.
No difference No distinction.
Eat when the world has eaten
Dress when the others have dressed
I'll admire you !
All things are common to all men
Conduct the world
Conduct the world in common
Even as the sky that spans above ail men
With surging love and affection
Proclaim this even to
dwarfish men.*

TRANSLATED—BY

M. D. JAYABALAN, M. A.

THANTHAI PERIYAR'S CENTENARY CELEBRATIONS IN KANCHI



Pageantry floats

