

Preparation of draft plan on the basis of Gandhian Principle of planning

1971. SHRI SHIVA CHANDRA JHA: Will the Minister of PLANNING be pleased to state:

(a) whether the Draft Sixth Five Year Plan has been prepared on the basis of Gandhian principles of Planning;

(b) if so, what are the details thereof; and

(c) if the reply to part (a) above be in the negative the reasons therefor ?

THE MINISTER OF PLANNING AND LABOUR (SHRI NARAYAN DATT TIWARI): (a) to (c) Work on the draft Sixth Five Year Plan is in progress and the Gandhian principles of Planning are kept in view in its formulations.

Plan Budget of backward States

1972. SHRI P. N. SUKUL: Will the Minister of PLANNING be pleased to state what are the reasons for which about 55 to 60 per cent Plan-budget of the backward States like U.P. continues to be earmarked for the schemes of Irrigation, Power and Agriculture at the cost of other good schemes, especially those aimed at generating employment both rural and urban ?

THE MINISTER OF PLANNING AND LABOUR (SHRI NARAYAN DATT TIWARI): Plan schemes selected under Agriculture, Irrigation, Power as well as under other sectors have to be viewed in totality to assess their impact on the economy. Every development scheme has direct as well as indirect linkages with the rest of the economy. Outlay on schemes for revitalisation of agriculture such as for fertilizers, irrigation and rural electrifications

are likely to augment income levels as well as employment in rural as well as urban sectors. Plan objectives of removing poverty and providing opportunities for gainful employment are expected to be achieved by appropriate financial provisions under schemes designed to achieve these objectives. Development schemes in the Plan and employment are interlinked and one objective is not achieved at the cost of the other.

Achievement of the 5 per cent growth rate

1973. SHRI HARISHANKAR BHABHRA: Will the Minister of PLANNING be pleased to state:

(a) whether Government's attention has been drawn to the recent press reports to the effect that several leading economists have expressed to the Planning Commission their doubts regarding the achievement of the 5 per cent growth rate as laid down in the Sixth Plan framework in the context of the current rate of inflation and prices; and

(b) if so, what are the details in this regard ?

THE MINISTER OF PLANNING AND LABOUR (SHRI NARAYAN DATT TIWARI): (a) Yes, Sir.

(b) In a recent meeting convened by the Planning Commission, some economists expressed doubt about the feasibility of achieving the projected growth rate in the Sixth Five-Year Plan in the context of the current inflationary trends in the economy. In this context, they advanced the following arguments:

1. Project costs have been escalating and will continue to do so unless inflation is controlled.
2. The scheme of financing the Plan is inflationary. This will further accelerate the rate of inflation.