

(b) According to the norms adopted by the Planning Commission, in 1977-78 about 239 million persons were estimated to be living below the poverty line in the rural areas as compared with 55 million in the urban areas.

Unemployment, poverty and inequality are related phenomena. Poverty can, therefore, be reduced and eventually removed by creating employment opportunities on a wide scale and by reducing inequalities. The strategy of development adopted in the draft Five Year Plan (1978—83) accords the highest priority to agriculture and allied sectors, irrigation and village and cottage industries which have the highest capacity for labour absorption. The Revised Minimum Needs Programme aims at provision by the State of some of the basic needs of the people in the poorest sections of the population like clean drinking water, health care, adult literacy, elementary education, rural roads, rural housing for the landless and minimum services for the urban slums. The Plan also proposes a package of policies for achieving redistributive justice comprising land reforms, strengthening of the public distribution system, the distribution of credit and other inputs to the small producers and development of backward classes and backward areas. As a result of adopting these measures, it is expected that poverty will be significantly reduced in the coming decade.

**Allocations for Annual Plan for the year 1979-80**

339. SHRI CHADALAVADA VENKAT ARAO: Will the PRIME MINISTER be pleased to state:

(a) what are the allocations State-wise, made in the Annual Plan for 1979-80 in respect of irrigation, electricity, roads and industry (Large, medium, small and cottage);

(b) what are the principles laid down in apportioning the allocations to various States; and

(c) whether some States have protested against the allocations?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI FAZLUR RAHMAN): (a) Firm figures of the State-wise and sector-wise outlays asked for would be available only when the Plan Budgets of all the States have been received and analysed by the Planning Commission.

(b) and (c). The States' Annual Plans are drawn up on the basis of discussions between Chief Ministers of States and the Planning Commission. The size of each State's Plan is determined on the basis of resource availability including Central assistance to the States on criteria determined by the National Development Council. Sectoral allocations are made within the States Plan in accordance with priorities laid down in the Five Year Plan, to achieve the targets specified there. Thus both overall plan size and sectoral outlays are agreed figures.

**Industrial growth for 1978**

340. SHRI CHADALAVADA VENKAT ARAO: Will the Minister of INDUSTRY be pleased to state.

(a) what was the industrial growth targeted for 1978 and what was the actual performance as worked out by the Central Statistical Organisation and the Ministry of Finance, separately;

(b) what are the reasons for shortfall, if any) and

(c) what are the targets of industrial growth fixed for the current year?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI JAGDAMBI PRASAD YADAV): (a) and (b). The target of industrial growth for the financial year 1978-79 was 7-8 per cent. According to the index of industrial production compiled by the Central Statistical Organisation, the growth rate during April—December, 1978 was 8