

Governor's Address 2006
13th January 2006

**Honourable Members of the Legislative
Assembly,**

It gives me great pleasure to address the first session of the Tamil Nadu Legislative Assembly for the year 2006. I extend my heartfelt New Year and Pongal greetings to all of you. This is the concluding session of the Twelfth Legislative Assembly. I take this opportunity to thank the Hon'ble Members of this August House for the invaluable contribution made by them as elected representatives of the people. The Government, under the leadership of the Hon'ble Chief Minister, has strained every nerve to fulfill the profound faith reposed by the people in the Government, overcoming insurmountable challenges.

2. The Hon'ble Chief Minister had set out the far sighted vision aimed at making Tamil Nadu the *numero uno* State in the country. An action-plan for realizing the vision was outlined in the Hon'ble Chief Minister's 15-Point Programme. Today, Tamil Nadu has made rapid

strides and has in fact reached the *numero uno* position in various sectors. This is reflected in most independent surveys ranking Tamil Nadu at the top in all aspects whether it be as an investment destination, public services, social sectors or in the maintenance of law and order.

3. While the record rainfall in 2005 has solved the drinking water problem in the chronically affected areas and does hold out the promise of good crops for farmers in the coming season, Hon'ble Members are aware that Tamil Nadu was badly battered by incessant heavy rains and floods during October-December 2005. The recurrent deluge resulted in loss of precious lives, damage to standing crops and extensive damage to public infrastructure and property. Normal life was disrupted in 22 affected districts. The Hon'ble Chief Minister personally toured the affected areas on several occasions to assess the impact of the floods and organize relief and rehabilitation effort. The entire administrative machinery was galvanized into action. Lakhs of people were evacuated and

accommodated in temporary flood relief centres and provided with food, water and medicine. A comprehensive flood relief plan was put into operation, which was supervised by the Hon'ble Ministers of the Government and senior IAS officers.

4. A detailed Memorandum seeking assistance from the Government of India was first presented on 3rd November 2005. Thereafter two more memoranda were presented. This Government has sought a total assistance of Rs. 13,685 crores, 2.58 lakh tonnes of rice and 43,200 kilolitres of kerosene to organize the relief, rehabilitation, and restoration operations. The Hon'ble Chief Minister, Selvi J Jayalalithaa called on the Hon'ble Prime Minister on 16th December 2005 and made a detailed presentation on the extent of damage, the relief operations undertaken and the assistance required. With this forceful plea, the Government of India has so far released a total amount of Rs. 1000 crores and 21,000 kilolitres of

kerosene for undertaking flood relief and restoration operations.

5. Given the recurrent floods and inundation, the Government announced and implemented a well-structured and liberal relief package reaching out to all those who were affected. The relief operations have been undertaken on a mammoth scale covering lakhs and lakhs of families. The relief package provided each affected family with cash assistance of Rs. 2000 (for fully damaged huts) and Rs. 1000 (for partly damaged huts) apart from 10-Kgs of rice and 1 litre of kerosene, a saree and a dhoti. For flood affected households in Chennai and adjoining areas, the quantum of cash relief was fixed at Rs. 2000 per family, 10-Kgs of rice, 1 litre of kerosene, a saree and a dhoti. A simplified system of identification of affected streets in Chennai and adjoining areas as also affected wards and habitations in other areas has enabled minimizing the usual problems associated with enumeration.

It has helped in quick disbursal of the relief package to the affected families.

6. This Government has already sanctioned a total sum of Rs. 1079 crores for the flood relief and rehabilitation operations. This includes the allotment for providing an immediate relief package at a cost of Rs. 566 crores. This has been provided to 31 lakh families so far in Tamil Nadu. In Chennai alone, over 6 lakh households have received assistance from the Government. Never has such a massive operation been ever undertaken. A major programme to repair and restore damaged public infrastructure such as roads, bridges, culverts, tanks, irrigation systems, buildings etc., has also been taken up for implementation at an outlay of Rs. 513 crores. This Government hopes that the Government of India will sanction further allotments for undertaking relief for farmers and permanent restoration and reconstruction works. I take this opportunity to gratefully acknowledge the wholehearted support received from well meaning organizations and

public spirited citizens who responded to the call by the Hon'ble Chief Minister and contributed generously to the Chief Minister's Public Relief Fund, to provide assistance to the affected families.

7. It has been little over a year since the devastating Tsunami killer waves hit the Tamil Nadu coastline leaving behind a trail of death, shattered lives and destruction. Thanks to the clear vision and policy directions of the Hon'ble Chief Minister, this Government completed the first phase of search, rescue, burial/ cremation of the dead and immediate relief in record time earning universal appreciation. The compassion of this Government which cares is highlighted by the decision of the Hon'ble Chief Minister to fully meet the cost of recanalisation surgery for all those mothers who had undergone tubectomy earlier and lost their children during the Tsunami tragedy. Now a massive long-term reconstruction and rehabilitation programme is under implementation. While the Government of India has so far released only Rs. 812 crores for Tsunami relief and

rehabilitation to Tamil Nadu, this Government has sanctioned Rs. 1136 crores for relief and rehabilitation. In addition, this Government has secured financial assistance of Rs. 2618 crores from various multilateral institutions for the long term reconstruction and rehabilitation programme. While the assistance from the World Bank of Rs. 1903.50 crores is entirely in the form of a loan, the assistance from the Asian Development Bank consists of loan component of Rs. 304 crores and grant of Rs. 343 crores. The assistance from the International Fund for Agricultural Development is Rs. 67.50 crores as loan. These loans are to be repaid entirely by the State Government. Under these externally-aided projects, this Government has already sanctioned Rs. 832 crores towards reconstruction and livelihood support.

8. The single minded devotion and determination with which the relief operations were taken up and rehabilitation efforts handled has earned international acclaim for Tamil Nadu. A recent study by Fritz Institute, a United States-

based international non-profit organization, has hailed the critical role played by the Government in coordinating rescue and relief efforts during the Tsunami disaster in Tamil Nadu.

9. This Government's overriding emphasis on the perfect maintenance of law and order has transformed Tamil Nadu into a haven of peace and tranquillity. Strict vigil, firm and deterrent action, constant monitoring and a coordinated approach to the maintenance of law and order by all Government agencies have helped eradicate extremism in all its forms. The elimination of the dreaded forest brigand Veerappan, who remained beyond the dragnet of law for nearly two decades, defying State authority with impunity, is indeed the most significant triumph of this Government. The threat posed by Naxalites in the border districts adjoining Andhra Pradesh and Karnataka has been handled successfully.

10. Hon'ble Members would agree that Tamil Nadu's return to the rule of law during the last

five years would not have been possible without the grit and determination displayed by the Hon'ble Chief Minister. The Tamil Nadu Police has been transformed into the most professional law enforcement machinery in the country. A comprehensive programme for modernization of the Tamil Nadu Police has been implemented with an expenditure of Rs. 479 crores since 2001. The State Police has been provided with the latest communication equipment, vehicles, modern arms and ammunition and latest facilities for aiding speedy investigations. Thanks to the generous support of the Hon'ble Chief Minister for the modernization of the Police Force, crime detection rate in Tamil Nadu, which was 71% in 2001, has improved to 86% in 2005. Construction of 10,000 houses for police personnel of different ranks at a cost of Rs. 416 crores since 2001 has helped the State attain a high rate of housing satisfaction amongst police personnel in the country. The creation of the new Greater Chennai Police Commissionerate is a boon for meeting the security

needs of this growing metropolis. Recruitment of women police personnel and establishment of 196 All Women Police Stations has enhanced the gender-sensitive image of Tamil Nadu Police in the country.

11. This Government's modernization programme for upgrading the infrastructure of Fire and Rescue Services and the Prisons Departments implemented at an outlay of Rs. 25 crores and Rs. 48 crores, respectively, has been extremely well received. The tele-justice system launched in Tamil Nadu is the country's largest video-conferencing system connecting the Prisons and Court Complexes in the State. India's most modern prison complex at Puzhal near Chennai, being constructed at a total of cost of Rs. 77 crores will be completed shortly.

12. Hon'ble Members will recall that Tamil Nadu had entered the New Millennium with serious doubts about its macro-economic growth prospects, a debilitating fiscal situation and a

paralyzed development administration. In a short span of less than five years, the State has made a spectacular turnaround. The growth momentum in the critical sectors of the economy has been restored. Despite the challenges posed by a devastating Tsunami and unprecedented floods, Tamil Nadu is likely to record an economic growth rate in excess of 8% in 2005-2006 as per preliminary estimates. The economic boom the State is witnessing is exemplified by the new investments flowing into the State.

13. This Government deserves the distinction for having successfully synchronized the State's reform priorities with its development imperatives. Tamil Nadu is well poised to achieve the 'Millennium Development Goals' well before the target year 2015. The State's Development Plan outlay has vaulted from Rs. 5200 crores in 2001-2002 to Rs. 9100 crores in 2005-2006 representing an increase of 75% and the State is set to outperform its ambitious Tenth Plan outlay for 2002-2007 of Rs. 40,000 crores. The State's capital

outlay for creating productive infrastructure and community assets has almost trebled from Rs. 1778 crores in 2001-2002 to Rs. 4792 crores in the Budget 2005-2006. The provision for maintenance of the existing public infrastructure has gone up from Rs. 182 crores in 2001-2002 to Rs. 754 crores in 2005-2006.

14. Tamil Nadu's development and reform efforts have enthused multilateral funding agencies to return to the State and finance its development projects. Hon'ble Members would be pleased to know that Tamil Nadu's externally-aided project portfolio has grown to a record level of Rs. 8550 crores (US \$ 1.90 billion) in 2005-2006. These include among others, the prestigious Tamil Nadu Road Sector Project (Rs. 2160 crores), the Tamil Nadu Health Systems Project (Rs. 597 crores), Tamil Nadu Urban Development Project-III (Rs. 1957 crores), the Pudhu Vazhvu Project (Rs. 717 crores) and the Tamil Nadu Afforestation Project (Rs. 567 crores) which are currently under implementation. The credit for Tamil Nadu's

reversal of fortunes in such a short time span without any adverse reform effects on the poor and the needy legitimately goes to the Hon'ble Chief Minister, Selvi J Jayalithaa.

15. This Government has launched a pioneering programme to secure comprehensive social security for farmers and agricultural labourers through the Hon'ble Chief Minister's Farmers Security Scheme. It has received wide acclaim for its remarkable breadth and scope. This revolutionary scheme covers an estimated 1.37 crore agricultural labourers and small and marginal farmers in Tamil Nadu and addresses their lifetime cradle to grave concerns. It envisions State support for meeting expenses on marriage, maternity, quality education, pension during old age and relief in the event of death/ accidental disability.

16. Tamil Nadu has taken the lead in unlocking the growth conundrum afflicting the primary sector to break free from the fetters that have constrained growth and rise in rural income

and opportunities in the past. The Hon'ble Chief Minister's emphasis on crop diversification, value-added agriculture, water-use efficiency, precision farming, wasteland reclamation and watershed development, restructured farm credit system and improved extension services, have together laid the foundation for putting the primary sector on a sustained growth trajectory.

17. This Government remains committed to fostering speedy revival and consolidation of the farm economy in Tamil Nadu. Recurrent droughts earlier followed by unprecedented floods in 2005 have underscored the need to focus on comprehensive management of water resources. Apart from compensation for crop losses on account of drought and floods in the recent past, Rs. 98 crores has been released for the crop insurance claims made by farmers during Kharif 2000 to Rabi 2004-2005. While Interlinking of Rivers holds the key to addressing problems of a water-stressed State like Tamil Nadu, the 'Irrigated Agriculture Modernization and Water Resources

Management Project' prepared at an outlay of Rs. 3900 crores and posed to the World Bank for funding, will be a boon for the State. This project is now in an advanced stage of preparation.

18. This Government is deeply concerned over media reports suggesting that the Government of Andhra Pradesh is proposing to construct a reservoir across the River Palar with a large water storage capacity of 2000 Mc ft (2 TMC ft). This has caused great alarm and apprehension in Tamil Nadu. The Hon'ble Chief Minister has immediately taken up the issue with the Hon'ble Chief Minister of Andhra Pradesh urging him to stop forthwith the execution of any plan to build a reservoir across the Palar River in the Kuppam area of Andhra Pradesh. As the River Palar supports farmers in an ayacut of nearly one lakh acres in the Northern Districts of the State and is the only major source of drinking water for several towns and villages, any attempt to impound the waters in the River Palar is unacceptable.

19. I am happy to inform this August House that the Government's efforts in reviving the non-farm sector and providing fillip to rural local employment through the pioneering New Anna Marumalarchi Thittam has yielded visible results. A total of 330 units with an investment of Rs. 212 crores in 210 blocks have already commenced production. Another 227 projects with an investment of Rs. 128 crores in 82 blocks are under various stages of implementation and are expected to be completed shortly.

20. This Government has steadfastly reached out to the farmers and provided them with all the support necessary for improving returns from agriculture. Hon'ble Members would be pleased to know that an all-time high minimum State Advised Price (SAP) of Rs. 1014/ MT at 9% average recovery or below along with an incentive of Rs. 8.80/ MT for every increase of 0.1% above the average recovery of 9% has been fixed for sugarcane growers. This Government's 'Small Tea Growers Protection Scheme' implemented with an

outlay of Rs. 28 crores has provided much needed succour to the small tea-growers in the District of Nilgiris who have had to face a slump in international and domestic tea prices.

21. This Government will always be remembered for restructuring the farm co-operative credit system and for implementing schemes to mitigate the debt burden faced by our farmers. Crop loans of farmers with the Co-operative Banks amounting to Rs. 2598 crores as on 31st March 2004 have been rescheduled for a five year term along with a principal repayment moratorium of two years. The Hon'ble Chief Minister has announced a major interest waiver scheme on these crop loans providing complete relief from interest up to 30th June 2006. This is being implemented at a cost of Rs. 645 crores. Care has been taken to protect the co-operative credit institutions by providing them the amount waived from farmers.

22. Ensuring ecological security is an important mandate for the Government and it forms

an integral part of the Hon'ble Chief Minister's 15-Point Programme. Thanks to the effective implementation of afforestation programmes, Tamil Nadu has achieved the highest increase in area under forest cover among all Southern States since 2001. The Hon'ble Chief Minister has strengthened the ability of the Forest Department to protect our forests by sanctioning vehicles to all territorial Rangers and authorizing the supply of essential commodities at subsidized rates to field personnel in the Department.

23. Animal Husbandry, Dairying and Fisheries, which are important sources of supplementary income of rural farm households, have received an unprecedented thrust from the Government. Thanks to the concerted action taken by the Government for improving the genetic stock of cattle through artificial insemination, Tamil Nadu has earned the distinction of becoming a frontline milk producing State in the country. A Special Livestock Protection Programme for providing veterinary health care facilities in remote areas is

currently under implementation and so far, 24,051 camps have been conducted at a cost of Rs. 10 crores. A total of 234 veterinary sub centres have been upgraded as full fledged veterinary dispensaries.

24. This Government is deeply concerned about the recurrent incidents of violence against fishermen from Tamil Nadu in the Palk Bay around Kachatheevu Island. The Hon'ble Chief Minister has written to the Hon'ble Prime Minister requesting that the Kachatheevu Island may be taken on lease in perpetuity by the Union Government so that the traditional fishing rights and privileges of Indian fishermen to carry out normal fishing activities in the area are protected.

25. To mitigate the sufferings of the fisherfolk on account of the Tsunami, this Government has distributed relief assistance of Rs. 146 crores towards repair and replacement of damaged boats and nets. An amount of Rs. 103 crores has also been sanctioned for upgrading

existing infrastructure in the fisheries sector to international standards. An estimated 10.36 lakh fisherfolk have benefited under the Savings-cum-Relief Scheme for fishermen at an outlay of Rs. 108 crore. The Government has provided 100% Sales Tax exemption on purchase of diesel by fishermen for fishing activities in order to contain the prices following the recurrent hike in petroleum prices by the Union Government, even though this involves an estimated annual loss of revenue of Rs. 63 crores to the State.

26. The Hon'ble Chief Minister has always maintained that while empowerment is the key instrument in our poverty reduction strategy, addressing livelihood concerns amongst the poor and the deprived has to be accorded a high priority. Tamil Nadu has taken the lead in conceptualizing and putting into action two significant new poverty reduction programmes that will make a major difference to the quality of life of the poor in Tamil Nadu. The first is the ambitious Pudhu Vazhvu Project launched recently to cover 15 districts with

an outlay of Rs. 717 crores. The second poverty reduction programme for the ultra poor seeks to reach out to 3 lakh poorest of the poor households with the objective of creating opportunities and building social capital amongst the poor to enable them to rise above a life of destitution and misery.

27. In pursuance of its avowed commitment of ensuring 'food security for all' in Tamil Nadu, this Government has undertaken a mammoth exercise to streamline and restructure the Public Distribution System so that it provides an effective safety net. The Hon'ble Chief Minister has ensured that every family obtains a ration card. With the renewal of cards and issue of fresh cards to all eligible families, the total number of cards has now reached 1.88 crores. The Public Distribution System in Tamil Nadu has been rated the best by an independent agency.

28. In no other State except Tamil Nadu, is rice provided to all families requiring it at Rs. 3.50 per Kg. This has imposed a very heavy annual

financial burden of Rs. 1200 crores as subsidy. When this is the situation, this Government is dismayed at the Union Government's decision to increase the Central Issue Price of rice for the Above Poverty Line category from Rs. 8.30 per Kg to Rs. 9.15 per Kg. The per card allotment has also been reduced for all categories resulting in an increase in the quantity of high priced Above Poverty Line rice that the State will have to take from the Central Pool. This imposes a very heavy additional subsidy burden on the State. The Hon'ble Chief Minister has already announced that despite the major increase in cost, the rice price will be maintained at Rs. 3.50 per Kg. This measure taken to protect the poor and the needy will result in an additional food subsidy burden of Rs. 300 crores per year increasing the total annual food subsidy from Rs. 1200 crores to Rs. 1500 crores.

29. I am glad to announce that an ambitious Basic Amenities Programme for Rural and Urban Areas has just been launched with an outlay of Rs. 250 crores with the aim of bridging the

infrastructure gaps in rural and urban areas in all districts. This omnibus programme, giving flexibility to the district administration for taking up works to provide water-supply, storm water drainage, repairs to noon meal centres, schools, pathways to burial grounds, approach road to habitation etc., will meet all the felt needs.

30. Fostering housing security for the rural poor has received an unmatched attention from this Government. Requisite funds have been earmarked under the Basic Amenities Programme for repair of about 65,000 tiled houses constructed prior to 1991 in rural areas and the Special Village Panchayats. A major programme to upgrade 1.5 lakh kutcha houses into pucca houses has been taken up at an outlay of Rs. 37.50 crores during 2005-2006.

31. Hon'ble Members would be pleased to know that the laudable 'Namadhu Gramam' Scheme has become a social movement in the State. This revolutionary programme has set the

stage for a healthy competition amongst Village Panchayats which are striving to achieve 100% enrolment of children in schools, poverty reduction, reduction of infant mortality, elimination of female foeticide/ infanticide, and improved village sanitation.

32. This Government has placed the highest emphasis on providing safe drinking water supply. A total of 318 Combined Water Supply Schemes have been taken up for implementation during 2001-2006 to provide drinking water supply to 1.5 crore people living in 18,951 rural habitations and 150 towns at an estimated cost of Rs. 2423 crores. Hon'ble Members will be glad to know that 223 Combined Water Supply Schemes have already been completed, thus assuring protected water supply to 10,043 rural habitations and 91 urban towns. A total of 22,069 rural habitations have been provided with protected water supply through individual power pumps at an estimated cost of Rs.993 crores. An estimated 39,796 hand pumps have been converted into mini-power pumps

at a total cost of Rs. 239 crores. It is an acknowledged fact today that the drinking water supply situation in Tamil Nadu has improved vastly with the strenuous and systematic efforts of this Government.

33. Tamil Nadu has made rapid strides in rural sanitation, the coverage going up from 15% in 2001 to 57% in 2005, through the provision of individual household latrines and toilets in schools and anganwadis. It is a matter of satisfaction that all Village Panchayats across the State have an Integrated Sanitary Complex for Women built at a total cost of Rs. 278 crores. These are now being fitted with Bio-gas plants to make them even more efficient.

34. Another major thrust is the launch of the Tamil Nadu Urban Development Project-III with a total project outlay of Rs. 1957 crores. Under this project, comprehensive underground sewerage facilities will be provided in 24 district headquarters and 13 other towns. In addition, road networks in

the Chennai Metropolitan Area will be improved with provision of Railway Over-bridges (ROBs), Railway Under-bridges (RUBs) and grade separators. This will ensure that the traffic congestion in the Chennai Metropolitan Area is tackled effectively.

35. This Government, which stands for the poor, has accorded the highest priority to the problems confronting the urban poor. Affordable housing for them has been a priority. So far with an outlay of Rs. 250 crores, nearly 30,000 families have been provided with houses. An action plan for urban slum housing development with an outlay of Rs. 250 crores during 2005-2010 has been launched.

36. This Government has accorded a tremendous fillip to upgrading road connectivity across the State. The Capital Budget for roads and bridges has gone up more than eight times from Rs. 257 crores in 2001-2002 to Rs. 2081 crores in 2005-2006. Panchayat and Panchayat Union

Roads are being upgraded with an outlay of Rs. 400 crores in 2005-2006. In addition, a special renewal package for roads in Special Village Panchayats is being taken up with an outlay of Rs. 100 crores. The roads in urban local bodies are set to get a facelift in 2005-2006 with the sanction of works at an estimated outlay of Rs. 401 crores. The Government has taken up on a war footing the restoration of roads damaged in the recent floods. Never has a Government invested so much in providing basic infrastructure, namely, the road network. This will contribute greatly to further economic growth.

37. It goes to the credit of this Government that despite repeated increases in diesel prices, the public bus transport system has been modernized and a comprehensive and liberal pay revision package for employees of the State Transport Undertakings implemented, while keeping the bus fares lowest in the country. The State Transport Undertakings have also bagged three awards for efficient performance.

38. The Tamil Nadu Electricity Board which was on the verge of financial collapse with a huge revenue gap of Rs. 5000 crores when this Government assumed office in May 2001 has been restored back to health. We can justifiably be proud that the Tamil Nadu Electricity Board has maintained quality power supply to all its consumers without any power cut since 2001 despite 14% reduction in coal linkage to thermal power stations of the Tamil Nadu Electricity Board in 2005 by the Union Government and will continue to do so in the coming years. This Government has taken steps to ensure that new generation capacity is added in the State during 2005-2010. So far, projects to produce 4000 MW have been initiated. The Neyveli Lignite Corporation will implement a new 1000 MW plant at Jayankondam in Perambalur district. This will bring the total new capacity additions planned to 5000 MW. This Government's continued thrust on renewable energy through requisite enabling measures has helped Tamil Nadu attain the *numero uno* position in

renewable energy in the country. The installed wind energy capacity in the State at 2433 MW constitutes 58% of the all-India capacity, making Tamil Nadu a clear winner.

39. Hon'ble members will acknowledge that with the attention paid to the infrastructure, ambience and facilities in the city, Chennai metropolis has now become the 'Jewel of the East'. The 10-year 'Chennai Metropolitan Development Plan', currently under implementation with an investment outlay of Rs. 18,000 crores has made impressive headway in refurbishing and upgrading infrastructure in sectors such as power supply, water supply, drainage, traffic management, transportation, housing etc. The Hon'ble Chief Minister's drive to establish parks and walkways in Chennai have added to the beauty of this city. It redounds to the credit of this Government under the leadership of the Hon'ble Chief Minister for solving Chennai's chronic water supply problem. The 180 MLD New Veeranam Project completed in record time has brought in

much needed stability to the city's water supply position. The 100 MLD Desalination Project will be built overcoming all obstacles. This House urges the Union Government to accord immediate environmental clearance so that this project benefiting the citizens of Chennai can be taken up at once. Citizens of Chennai will always remember these proactive steps taken by this Government to provide assured water supply to Chennai city.

40. Recognizing that traffic management in Chennai requires radical solutions, this Government has decided to implement the Monorail system in 300 Kms of high-density traffic corridors of Chennai Metropolitan Area on public-private partnership mode. I am confident that this landmark initiative will make travel within Chennai metropolis a pleasurable experience.

41. The Hon'ble Chief Minister's proactive 'New Industrial Policy-2003' has helped Tamil Nadu to consolidate its core competence in the manufacturing sector to emerge as the most

preferred destination for foreign and domestic investors. Hon'ble Members would be pleased to know that Tamil Nadu has been chosen as 'Overall Winner – Asian Region of the Future 2005-2006' and adjudged as 'Best FDI Potential' destination by the fDi magazine, which is a part of the Financial Times. Tamil Nadu has attained the top rank and has been adjudged the best State for the ease of doing business and in terms of composite Economic Freedom Index-2005 among Indian States. The fact that Multinational Companies (MNCs) such as Nokia, Flextronics, BMW etc., have signed up to locate their plants in Tamil Nadu is a testimony to the untiring efforts of the Hon'ble Chief Minister in making Tamil Nadu the *numero uno* investment destination in India.

42. This Government's proactive measures to enable Tamil Nadu to be a major player in the services sector, particularly IT and IT-enabled services, have borne fruit. Tamil Nadu has been judged as a leader in e-readiness by independent analysts. During 2004-2005 alone, a

total of 400 new IT companies have set up base in Tamil Nadu – in other words, at least one IT company has located base in Tamil Nadu everyday. The software exports from the State have trebled to touch a staggering Rs. 10,730 crores in 2004-2005 representing an impressive growth of over 40% compared to the previous year. IT for e-Governance for improved administrative efficiency and quality service delivery has received an impressive thrust from the Government. A massive programme to provide broadband connectivity up to the Taluk and Block level is currently underway through the Tamil Nadu State Wide Area Network (TNSWAN). This Government's efforts in computerizing all the Village Panchayats will serve as a trigger for expansion of knowledge and opportunities in the rural areas.

43. This Government's concerted efforts in tapping the tourism potential for its role in promoting the services sector and generating local employment have helped Tamil Nadu emerge as the location premiere for holidaying in India. The

years 2001-2006 have seen an unprecedented step up in Budget outlay on tourism with focus on development of specific tourism circuits, infrastructure facilities and marketing Tamil Nadu as the best holiday destination in India. Hon'ble Members would be pleased to know that Tamil Nadu has received the prestigious international award for promoting Chettinad heritage Tourism from the Pacific Area Travel Writers Association.

44. The accomplishments of this Government in extending quality and affordable healthcare to the poor and transforming Tamil Nadu into the 'Medical Capital of India' are indeed noteworthy. During the past five years, 106 Primary Health Centres (PHCs) have been upgraded into 30-bed hospitals with all requisite facilities. This Government has established seven regional diagnostic centres at a cost of Rs. 21 crores to upgrade the diagnostic services in far flung areas. New 300-bed Government Medical College hospitals have been set up in Theni, Kanyakumari and Vellore. An Ayurveda College is being

established at Nagercoil in Kanyakumari District at an estimated cost of Rs.3 crores. 11 new Nursing Schools have been started to improve the quality and availability of paramedical staff. Another shining example of caring governance is the unique programme launched by the Hon'ble Chief Minister to correct problems of cleft lip and cleft palate among children. All such children needing assistance have been reached and assistance provided. The pioneering Tamil Nadu Health Systems Project being implemented at an outlay of Rs. 597 crores is a landmark intervention in improving the quality of services in secondary health care institutions in the State. Under this scheme, 62 Government hospitals are being equipped to provide round-the-clock comprehensive emergency obstetrics and new born care.

45. This Government can legitimately be proud of its performance in family welfare brought about by its comprehensive health intervention programmes. There has been a significant

improvement in vital health indicators during the past five years. Institutional deliveries have improved from 87.9% in 2001 to 94.3% in 2005, infant mortality rates have declined from 49 per 1000 live births in 2001 to 43 per thousand live births in 2003. Maternal deaths in Tamil Nadu have also declined by 25% during the period 2001-2004.

46. The Hon'ble Chief Minister has always believed that quality education and skill acquisition by the people not only determine the pace of economic growth but also hold the key for empowering and enabling them to lead the kind of life they value. The Government has accorded an unmatched attention towards opening new schools and upgrading existing educational infrastructure since 2001. A total of 1274 new Primary Schools have been opened while 2790 existing primary schools have been upgraded as Middle Schools. 394 Middle Schools have been upgraded as High Schools while 406 High Schools have been upgraded as Higher Secondary Schools. The Government has filled up 58,282 vacancies in

teacher posts. The decision to supply free textbooks to all children enrolled in Government and Aided-Schools up to Class XII has been widely welcomed. The Hon'ble Chief Minister's decision to extend the scheme for free supply of bicycles to all students studying in Classes XI and XII in Government and Aided Higher Secondary Schools is a landmark step in facilitating access to quality education in Tamil Nadu. This Government's scheme to provide an assistance of Rs. 50,000 to students in Government and Aided Schools in the unfortunate event of loss or permanent incapacitation of their earning parents due to accidents has been widely welcomed.

47. This Government had abolished the Common Entrance Test for admission to Undergraduate Professional Courses in June 2005 considering the fact that this test had become a burden and traumatic experience, especially for students from the rural areas. While the decision of the Government to abolish the Common Entrance Test was widely welcomed, this could not be

implemented because of certain Regulations of the Medical Council of India and All India Council for Technical Education. This Government requested the Union Government to amend these Regulations. Parents and students have expressed a request that the prevailing uncertainty should be removed and a clear scheme based on the Plus Two marks of the State Board should be evolved. This Government has decided to follow the basic principle, namely, the Plus Two marks of the State Board will be the common platform for evaluation. The Plus Two marks obtained in the State Board examination will be the basic platform and there will be a common entrance examination for students of all other Boards so that they are brought on a comparable basis to the State Board Plus Two marks. This will achieve both the objectives of less burden and trauma for the bulk of the students who take the State Board examination as also the provision of a correct method to bring all other Board examinations on to a comparable platform to the State Board Plus Two marks. Necessary

legislation to give effect to these changes will be introduced.

48. Tamil Nadu has emerged as one of the largest providers of quality technical manpower in the world. The State's wide network of 237 engineering colleges and 230 polytechnics has opened up new opportunities for accessing quality technical education. A scheme for improving the quality of technical education to world class standards in the Engineering and Polytechnic Colleges is under implementation at an outlay of Rs. 96 crores.

49. This Government's encouragement to sports and sportspersons has been a positive contribution towards developing a healthy mind and body among children and youth in Tamil Nadu. The 'World Beaters Talent Spotting Scheme' has been successfully implemented in schools. This Government's cash incentive programme to encourage sportspersons who achieve laurels at

national and international sporting events has been widely welcomed.

50. Empowerment of women has always received precedence in the framing of policies and actions of this Government. The Hon'ble Chief Minister, who initiated the Women Self Help Group movement in Tamil Nadu, has seen it blossom into a spectacular social revolution. Today, it is truly a mass social movement for empowerment of women with nearly 50 lakh women members enrolled in three lakh self help groups with savings and credit linkage in excess of Rs. 889 crores and Rs.1563 crores, respectively. The unique 'Cradle Baby Scheme' and the 'Girl Child Protection Scheme' have played a major role in protecting the life and improving the social status of the girl child. This Government deserves the credit for ensuring the most comprehensive and quality supplementary nutrition coverage among children, expectant mothers and the elderly in Tamil Nadu. This Government urges the Union Government to take expeditious action to enact a

law enabling 33% reservation for women in Parliament and State Legislatures.

51. It has been this Government's constant endeavour to foster the social, economic and educational empowerment of people belonging to the Adi Dravidar and Tribal communities. The innovative Land Purchase Scheme for Women belonging to the SC/ST communities will usher in a social revolution through asset empowerment. This Government had promised in 2001 that all the 493 Adi Dravidar Welfare Hostels functioning from rented premises will be provided with own buildings. This promise has been fulfilled and this Government has sanctioned the construction works at an outlay of Rs. 155 crores. This Government will open 108 more new hostels at an outlay of Rs. 4 crores. A major programme for the provision of basic infrastructure facilities such as approach road, drinking water supply, pathway to burial ground, street lighting etc., will be implemented in all Adi Dravidar habitations in a phased manner.

To begin with, this Government is taking up the first phase of works at an outlay of Rs. 71 crores.

52. This Government has always worked for protecting and furthering the interests of people belonging to the Backward Classes, Most Backward Classes, Denotified Communities and the Minorities. The Hon'ble Chief Minister had promised that new buildings will be constructed for all the 761 hostels functioning from rented buildings for students from these communities. I am happy to inform the Hon'ble Members that this Government has sanctioned the construction of 761 new hostel buildings at an outlay of Rs. 235 crores.

53. Welfare of the weavers has always been a high priority for this Government. This Government will distribute free 1.64 crore sarees and 1.64 crore dhotis to 3.28 crore beneficiaries during Pongal this year at a total cost of Rs. 256 crores. Apart from providing clothing security, this scheme continues to provide continuous employment to the weavers in the State. A new

Health Insurance Scheme for two lakh weavers is being taken up for implementation. The annual premium payment commitment to be borne by the weavers at Rs. 200 per weaver per annum will be paid by this Government on their behalf at a total cost of Rs. 4 crores.

54. Promotion of Tamil language, art and culture and preservation of the State's rich cultural heritage has received the due attention of the Government. Scientific Tamil has been introduced in all categories of schools from LKG to Class XII and students have been provided with textbooks on Scientific Tamil free of cost. The 'Annadhanam Scheme', the brainchild of the Hon'ble Chief Minister, has been a great success and has been hailed as a landmark intervention in securing nutrition security for the poor. This Government has evolved a new pension scheme whereby permanent employees of temples with sufficient income will receive a pension of not less than Rs. 750 per month through the Employee Provident Fund Scheme. In respect of staff employed in

temples with low income including those due to retire within the next ten years, a separate pension scheme is being taken up for implementation by setting up a Corpus Fund by pooling funds from surplus temples. These employees will also receive a pension of Rs. 750 per month. An estimated 10,000 employees working in various temples in the State will benefit under the scheme.

55. This Government values the contribution of dedicated employees in realizing the development goals for the benefit of the people of Tamil Nadu. The enormity of the fiscal crisis that this Government had to contend with had made it difficult to make payment of each instalment of Dearness Allowance announced by the Government of India for its employees. With the strenuous effort undertaken, this Government has set right the financial position and ensured that the Dearness Allowance instalments are paid with progressively less time lag. This Government has decided to increase the Dearness Allowance for the State Government employees and pensioners

from 67% of the Basic Pay to 71% with effect from 1st January 2006. This involves an additional cost of Rs. 282 crores per annum. While ensuring that the Government employees have a better quality of life so as to serve the people better, it is also to be borne in mind that the benefits of proper fiscal management reach the poor. It is this fine balance that this Government has successfully achieved.

56. Hon'ble Members are well aware of the measures taken by this Government to promote clean, participatory, transparent and responsive governance in Tamil Nadu. I am also pleased to inform this House that the Government has notified the constitution of the State Information Commission and has also framed the relevant rules as required under the Right to Information Act, 2005.

57. I have outlined in detail the policies and programmes of this Government. The State has marched forward with its head held high with unequalled accomplishments in all the sectors.

The inspiring leadership and caring governance of the Hon'ble Chief Minister deserves full appreciation. I conclude my address with the fervent hope that Tamil Nadu will continue to excel in all fronts in the future as well.

Vanakkam

Jai Hind