

Speech made by Hon'ble Finance Minister of Tamil Nadu Prof.K.Anbalagan in Planning Commission Meeting held at New Delhi on 11.02.2008 on behalf of Hon'ble Chief Minister of Tamil Nadu

Deputy Chairman,

Members of the Union Planning Commission

and Senior Officers,

I extend my warm greetings to you all. It gives me great pleasure to be here today to finalize the Annual Plan Outlay for 2008-2009.

This meeting is significant as the Annual Plan Outlay is being finalized after the approval of the Eleventh Plan Outlays for the Central and the State Government. The Eleventh Plan for Tamil Nadu has been approved at Rs.85,344 crores which is more than double the Tenth Plan Outlay of Rs.40,000 crores. Tamil Nadu is progressing with an objective of achieving economic growth within the framework of equity and social justice.

Based on our available resources, we have proposed an outlay of Rs.15,500 crores for the Annual Plan 2008-2009 and I am of the opinion that this outlay needs to be stepped up so as to maintain the pace of implementation of the Eleventh Plan. I request the Planning Commission to provide Additional Central Assistance to enable us to have a larger Plan Outlay.

The Eleventh Five Year Plan of the State and Centre rightly place importance on revival of the agriculture sector as a key to sustained growth, thereby ensuring food security and improving farmers' income. Annual Plan 2008-2009 provides adequate provision for this Sector. While I thank the members of the Union Planning Commission for announcing the National Agricultural Development Programme and National Food Security Mission, I would like to draw your attention to the guidelines for these programmes. These require simplification. I suggest that the expenditure incurred by the States over and above the baseline expenditure be provided as grants.

We are implementing the IAMWARM Project in 63 sub-basins of our State for better irrigation management, improved agricultural productivity and farm income. We propose to adopt this model in other sub-basins under NADP also.

To ensure food security to everyone in the State, particularly poor and middle class, we have been implementing a scheme of distribution of rice at Rs 2 per Kg. Further, to curtail the rise in price of essential commodities, we are supplying items like cooking oil, pulses etc. through the Fair price shops. This step has yielded good results enabling the people to get essential commodities at reasonable prices. I suggest that the Government of India may implement these schemes throughout the country.

In the last NDC meeting, I had strongly advocated for inclusion and funding of Interlinking of the Peninsular Rivers in the first instance during the 11th Plan itself. I am happy to note that Government of India has declared 14 projects for Interlinking of Rivers as “National assets” with 90% Central funding.

Linking of Intra-State Rivers also requires substantial funding. Therefore, I urge funding of projects for linking of Intra-State Rivers, under Accelerated Irrigation Benefit Programme as already resolved in the 53rd meeting of the NDC.

The Government of Tamil Nadu took a bold step to waive all co-operative farm loans immediately after assuming office. This step has brought immediate relief to farmers who were not able to repay loans due to successive droughts and floods and has enabled them to once again access credit. I reiterate that the cost of waiver of co-operative loans be shared on the lines of the package of concession given to select States in the country.

The Government of Tamil Nadu is implementing a scheme to provide free LPG connections and gas stoves to poor families in order to mitigate the sufferings of the womenfolk engaged in the traditional way of cooking with firewood. It is a major beneficial scheme for women and is also environment-friendly. Therefore this scheme deserves the support of the Central Government. I request that funds may be provided under Bharat Nirman Scheme

for providing LPG connections and gas stoves to poor families in States like Tamil Nadu, which have achieved rural electrification in full.

Our State has also been prioritizing the provision of high quality urban infrastructure to improve the quality of life of city residents. We have announced the launching of the prestigious Metro Rail Project to reduce traffic congestion in Chennai city. While requesting the Planning Commission to offer full support for this project, I would like to stress that this Project should be given the same treatment and incentives as given to the Delhi Metro Rail Project.

Villupuram-Dindigul rail link is the vital rail link to Southern Districts of Tamil Nadu. Therefore I would urge the Central Government to approve the doubling of this segment to operate more trains to Southern Districts.

Leather and Textile Industries in our State contribute significantly to India's exports and generate large-scale employment. While they are responsible for pollution control measures, they also need to be internationally competitive. Hence, I urge Government of India to provide financial assistance for establishment of zero discharge effluent treatment plants for these industries.

I am grateful to the Government of India for announcing a thrust towards secondary and higher education. The 'Block Model School' outlined in the Eleventh Five Year Plan will go a long way towards achieving equity goals. We request that States may be given flexibility to run the Block Model Schools under the State curriculum.

The poor cannot afford to access private health care for major ailments. Therefore, Government should continue to provide free health care for such major ailments by strengthening Government Medical Colleges and Hospitals. I request the Planning Commission to formulate a Centrally Sponsored Scheme to support the State for providing tertiary health care.

I would like to point out that majority of the Central Schemes have been conceived keeping in mind the relatively backward States. While we all admit that this will lead to a more equitable development among the States, one should not forget that the pace of development in other States should also be maintained. There should be some flexibility in the guidelines to suit all the States. This will make the Central Assistance more meaningful. I urge the Planning Commission to introduce this change during the 11th plan.

Thank You.
