

**S P E E C H**

**OF**

**SHRI DIGAMBAR V. KAMAT  
CHIEF MINISTER OF GOA**

**54<sup>TH</sup> MEETING OF THE  
NATIONAL DEVELOPMENT COUNCIL**

**VIGYAN BHAVAN, NEW-DELHI  
DECEMBER 19, 2007**

**Hon'ble Prime Minister. Dy. Chairman Planning Commission, Chief Ministers and other dignitaries**

It gives me immense pleasure to be here today to discuss the Draft Five Year Plan prepared by the Planning Commission for the period 2007-2012. The Planning Commission through its ten Five Year Plans has successfully steered the country to achieve progress and prosperity. The essence of India's planning process so far has been growth, social justice, self-reliance and employment with emphasis on human development. Now the country is on high growth trajectory of more than 8% which need to be sustained for a longer period to accelerate the pace of development. The concept of 'inclusive growth' emphasized in the Eleventh Five Year Plan is expected to improve the quality of life of people in all spheres. I congratulate the Planning Commission for producing an excellent plan document.

As you are aware, people of Goa have renewed their mandate to the Congress party, obviously to take forward its development agenda to achieve further progress in the

State. People of Goa have tremendous expectations from us in terms of good governance, quality infrastructure, clean environment and better standard of living. True democracy is clearly visible in Goa with each and every action of the Government coming under people's scrutiny. Right to Information under the Right to Information Act 2005 made available to the people of this country is a land mark initiative of Government of India, which has enabled people's participation in decision making and has become a powerful tool for the people to analyze Government decisions. Thus, governance and development have become more complex as elected Governments cannot take things for granted and have to chalk out their policy prescriptions and development plans that are acceptable to the people to move forward.

As you all aware Goa has emerged as the most progressive State in the country with its high level of development indicators. The Planning Commission have always hailed Goa's development and helped the State of Goa in its development endeavor. Goa has received Best State award for 'Budget Management' and 'Health Care' in small State's Category in India Today survey 2007.

The State is now poised to leap forward to the next stage of development. The State can transform into an economically developed model State. The State has to aim at high living standards and quality of life for all people as in the developed world. The State has <sup>to</sup> not only achieve 100% literacy but also upgrade the standard of education at all levels to produce knowledge workers with higher level of productivity. Round the clock clean drinking water, state-of-the-art health care delivery mechanism, uninterrupted electricity supply, high quality wide roads, sewerage and sanitation network for the entire population, solid waste management, orderly development of towns, top class tourism infrastructure, environmental upgradation of mining belt, clean and safe beaches, etc. will transform Goa into a developed State. This would require very high level of financial support from Government of India.

During the Tenth Five Year Plan our performance has been impressive. As against the Tenth Plan agreed outlay of Rs.3200.00 crore at 2001-02 prices, the actual expenditure was Rs.3277.45 crore at 2001-02 prices and Rs.3788.28 crore at current prices. Thus, utilization is

more than 100% with annual compound growth rate in expenditure being more than 20%.

Goa contributes significantly to the nation both in terms of taxes as well as foreign exchange earnings. For instance during the year 2006-07, the total collection of central taxes from Goa aggregates to Rs.2725.59 crore comprising customs (Rs.522.37 crore), central excise (Rs.725.22 crore) and income tax (Rs.1478.00 crore). This entire amount goes to Central Government kitty. In addition, the State has exported 33.49 million tonnes of iron ore valued at Rs.4591.81 crore. The foreign exchange generated from foreign tourists' arrival is estimated at Rs.2200.00 crore per annum. Against this, during 2006-07, the State received only Rs.400.60 crore comprising share in central taxes of Rs.312.11 crore and grants-in-aid of Rs.88.49 crore. Thus, the devolution that Goa is getting from Central Government is very small in comparison to its significant contribution to the nation.

People of Goa feel that Goa is being penalized by the Government of India for its development. While it cannot be denied that less developed States need more

assistance from Central Government, it is also necessary that more progressive States like Goa are given support to develop further and emerge as a model developed State. The present mechanism of central devolution governed by Gadgil-Mukherjee formula for plan grants and Finance Commission formula for share in central taxes are not favourable to performing States like Goa. Performance and States contribution to the nation have to get due consideration to encourage the States to perform better and progress further. Perhaps, Goa is the only State in the country to get tourists twice the resident population. Thus, the State has to actually plan for 40 lakh people, as nearly 28 lakh tourists visit the State every year as against its population of 14 lakh as per 2001 Census. Similarly, mining has created major environmental degradation in terms of air and water pollution, degradation of agriculture fields, high incidence of morbidity in the mining belt and damage to roads and other infrastructure. Thus, both Tourism and Mining have brought tremendous pressure on the infrastructure of the State. These two sectors are mainly responsible for significant contribution to the nation both in terms of central taxes and foreign exchange earnings. Therefore, Goa needs to be considered for

'Special Category State' status to sustain the contribution being made by these two sectors to the nation and also for infrastructure development needed for these two sectors. Besides, today Goa is also deprived of tax incentives for industrial development which has led to flight of industries to other States where the Government of India has extended tax incentives/holidays. On whole, encouragement the State is getting today from Government of India is minimal and there is a need to increase **the same** if the **State has** to progress further.

**Therefore, we request you sir, to confer Special Category State status to Goa for mining and tourism infrastructure to enable the State to get higher level of central assistance.**

Sir, our objective of Eleventh Five Year Plan will be moving towards faster and more inclusive growth with emphasis on technology driven good governance, social security, agriculture and allied sectors, improving the standards of education and health care services, environmental upgradation and infrastructure development in various sectors. Emphasis will be laid

on public private partnership projects to enhance the level of investment and lessen the pressure on public finances. The State has already prepared road map for e-governance. Goa has been selected by the Ministry of Information, Communication and Technology as the best IT governed State in the western region of India. The State has launched an ambitious plan for broad band connectivity to each household and for simultaneous establishment of State portal, State data centre and 208 integrated citizen data centres under PPP format. E-Governance related work has been given good momentum which will have interface with broad band connectivity, state portal, data centre and citizen data centres and the entire system is expected to be ready by March, 2008. Therefore, the face of Governance in the State is expected to witness sea of change in near future.

Goa needs massive investment for infrastructure development in the Eleventh Five Year Plan. We have improved our power infrastructure under Accelerated Power Development Reform Programme of Government of India with 25% grant support. Now, we understand that the scheme is being modified and there is uncertainty



over continuation of the scheme in the current form. Similarly, under Sarva Shiksha Abhiyan also, the State has received good support from Government of India with 75% grant support. However, under this scheme also the pattern of assistance has been changed by the Government of India recently and the grant portion has been reduced to 65% which will get further reduced to 50% in five years. Sir, these Central Schemes have been successful in giving focused development in the States and therefore any change in pattern of assistance and reduction of grant flow will only affect the momentum of these schemes. Therefore, we sincerely urge the Government of India to continue the existing APDRP scheme in power sector and also increase the grant portion from the existing 25% to 50%. Under SSA scheme also we request the Government of India to restore the central grant component to 75%.

Sir, some times due to common guidelines prescribed under Central Schemes, we find it difficult to implement them. For instance, under Prime Minister's Gram Sadak Yojana, the State has received Rs.500 lakh during 2001-02, Rs.3.60 lakh during 2002-03 and Rs.15.09 lakh during

2005-06. But, due to rigid guidelines the State has not been able to utilize this amount fully and the unspent balance available at present is Rs.589.36 lakh including interest. Problems being faced are non-availability of required land width, forest clearance, shifting of electric lines, non-fulfillment of population criteria, involvement of private land acquisition, existence of houses on both sides of proposed road, etc. Thus, the State is deprived of Central Assistance under this scheme during last many years. Therefore, there is a need to evolve State specific guidelines based on local conditions. Considering tourism importance attached to Goa, the State should be allowed to use PMGSY fund for providing connectivity to rural tourist destinations. **Thus, we request you sir, to modify the guidelines as per State's priorities and ground realities and provide us additional Central Assistance under this scheme.**

Sir, Goa is a major tourism destination and iron ore export State through its Ports. However, road connectivity from neighbouring States has been very narrow and highly congested. Therefore, there is an urgent need to give connectivity to the Golden Quadrilateral project, which

will spur the economy of the State. There is a component of Port Connectivity in the Golden Quadrilateral project which has not been done. Therefore, we request you Sir, to include connectivity of Goa to the Golden Quadrilateral project.

Sir, Goa being small State our requests is also very small which can be easily accommodated by the Government of India. We expect greater support from Government of India towards making Goa a modern welfare State in the country and set example for others to emulate.

Thank you.

**JAI HIND.**