



Speech of
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FIFTY FOURTH
NATIONAL DEVELOPMENT
COUNCIL

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**Honourable Prime Minister and Members
of the National Development Council,**

I extend my warm greetings to you all. It gives me great pleasure to participate in this NDC meeting convened to discuss and finalise the Eleventh Five Year Plan, which seeks to achieve growth with social justice. On this important occasion, I commend the UPA Government for launching a number of novel initiatives on agriculture, rural development, infrastructure and social sectors.

During the 10th Plan Period, our State faced stagnation in the agriculture sector,

recording a growth of only 2.4%. We are determined to correct this during the 11th Plan Period.

Our State Government has already put in place various programmes to achieve food security and improvement in farm income. As you are aware, we have waived all co-operative farm loans in order to relieve the debt-burden of farmers, thereby improving their access to bank credit. Our flagship scheme for distribution of land to the landless agricultural labour has attempted successful improvement of wastelands through land development and creation of water sources.

We have so far distributed 1 Lakh 34 Thousand acres of lands to 1 Lakh 16 Thousand families. Horticulture is an important area, where precision farming methods are being used to improve crop quality and yield. Along with better post-harvest management and establishment of market linkages, all these steps will ultimately result in higher farm income. The Animal Husbandry and Fisheries sectors are also being strengthened to provide additional income for rural households.

These efforts will be combined with the national programmes, especially the National

Agriculture Development Programme (NADP) and the Food Security Mission, announced by the Central Government as an outcome of the last NDC meeting.

In this context, I would like to draw the attention of the NDC to the present guidelines for entitlements of funds under NADP, based on net unirrigated area and other criteria. The formula suggested is too complex and it would be difficult for the States to arrive at the probable assistance and plan schemes accordingly. Hence, I appeal to the Government of India to simplify the procedure for the State-wise allocation. Otherwise the

objective of this timely initiative may be defeated. Instead, the expenditure incurred by the State over and above the base line expenditure should be provided as grants.

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 would once again reiterate that the Interlinking of Rivers should be declared as a “National Project” and a time bound Action Plan should be implemented. I am afraid that any further delay in the implementation of this

project will be detrimental to the development of our Nation.

All of us are well aware of the strain in the inter-state relations due to inter-state river water disputes. If unresolved, such disputes may pose a threat to the very unity and integrity of this country. Our Nation has an established constitutional and legal framework for resolution of such disputes. Hence, in the interest of harmony among the States, it is imperative that all such disputes are resolved under the existing Laws of the land and all the States respect and abide by the decisions of the competent authorities.

Linking of Intra-State Rivers will also require substantial funding which a State Government cannot afford to bear on its own. Therefore, I urge funding of projects for linking of Intra-State Rivers, 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. In this regard, I reiterate our request to share

the cost of the waiver of co-operative loans, on the lines of the package of concessions given to select States in the country.

During the NDC meeting held on 9.12.2006, I called upon the Union Government to introduce SSA for secondary education in the Eleventh Plan. I commend the Government of India for introducing the 'Scheme for Universal Access and Quality at the Secondary Stage (SUCCESS)'.

States like ours, which have already created rural infrastructure by using State funds, have not been able to access Central Assistance from Bharat Nirman. Be it rural

electrification, connectivity or irrigation, Tamil Nadu's better performance has thus been indirectly penalised. 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 environment-friendly, which 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.

The unit cost for group houses constructed under Indira Awas Yojana has been fixed by Government of India at Rs.25,000 for 210 Sq.ft. as early as 2004. With the unprecedented increase in the cost of materials and labour, today it is impossible to construct a 210 Sq.ft. house at a cost less than Rs.60,000. Hence, I urge the Government of India to increase the unit cost under IAY to Rs.1,00,000 per house for an increased plinth area of 325 Sq.ft. Alternatively, the States should be given

freedom to fix the unit cost and plinth area depending on local conditions and to cover the number of houses that are possible within the allocation.

I welcome the extension of NREGS to all the districts of the country. One of the main reasons for the successful implementation of this landmark scheme in Tamil Nadu is the provision for a separate rural schedule of rates. This has ensured minimum wages for poor unskilled labourers, mostly women, whose productivity levels are naturally low. Hence, I would like to stress

that the States should be allowed to continue the present system.

In view of the tremendous growth in air traffic, airports in the country require urgent expansion and upgradation. This revenue earning sector is in the Union list. The Union Ministry of Civil Aviation has been insisting that State Governments bear the cost of acquiring private lands for this purpose. Similarly, Union Planning Commission has been insisting on contributions from States for major railway projects. These tantamount to reverse fiscal transfer from the States to the Union Government. Therefore, I urge the

Government of India not to insist on financial contribution from State Governments for Central Projects.

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.

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. It is in this context that I appeal to the Union Government for greater support for tertiary health care provided by State Governments by way of a new Centrally Sponsored Scheme in the 11th plan.

A lumpsum Central Assistance could be given based on an agreed strategy appropriate for each State, instead of the

fragmented sums given now. This will make the Central Assistance more meaningful. I urge the Planning Commission to introduce this change from the 11th plan.

I wish to assure the Council that the Government of Tamil Nadu will be in the forefront in all the constructive efforts to successfully implement it.

The UPA Government, with the guidance of Thirumathi Sonia Gandhi, has been implementing several welfare schemes and is leading India in the path of Peace, Progress and Prosperity.

I firmly believe that Thirumathi Sonia Gandhi would continue her efforts to empower the women of India in getting their legitimate share in Nation building and governance.

I would like to conclude by congratulating the Honourable Prime Minister and the Planning Commission for formulating the 11th Five Year Plan with emphasis on growth with social justice.

Thank you.