



**ADDRESS**  
**TO**  
**THE LEGISLATIVE ASSEMBLY**  
**KERALA**

**2<sup>ND</sup> MARCH, 2007**

**BY**

**SHRI R. L. BHATIA**  
**GOVERNOR OF KERALA**

*Hon'ble Speaker, Hon'ble Members,*

1. I am very glad to welcome all of you to the first session this year of the 12<sup>th</sup> Kerala Legislative Assembly. During the past 9½ months the performance of this Assembly has been noteworthy because of the significant legislations enacted and the constructive action taken to solve the problems of the people. I congratulate all of you for your contribution in this regard. I am sure that you have the ability, commitment and the will to take this State on a comprehensive path of development.

2. In the elections held in 2006 the LDF came to power with an unprecedented mandate of the people. My Government continues to have the same mandate as is evident from the result of the bye-election to Thiruvambadi Assembly Constituency. The policies and programmes of my Government during this short period have clearly set the State on a path of development. My Government have always been concerned about the poor and marginalised sections of the society and this approach is clearly manifested in these policies and programmes.

3. The immediate challenge before my Government on assuming office was to provide relief to the large number of farmers in distress because of the fall in prices of their agricultural produce

and the consequent indebtedness. Many farmers had committed suicide and their dependents also had to be taken care of and provided with necessary support. Because of the persistent efforts of my Government, Government of India sanctioned a special package for the districts of Palakkad, Wayanad and Kasaragod for Rs.765 crore. It is expected that similar packages would be sanctioned for the districts of Alappuzha and Idukki in the near future. The State Government provided an assistance of Rs. 50,000 to each of the families of the farmers who committed suicide. My Government have also written off the loans of farmers who committed suicide. Assistance and special package for treatment have also been provided to Endosulfan affected persons. Interest on agricultural loans has also been lowered.

4. The Eleventh Plan is being formulated at a time when the State is facing an acute agrarian crisis, which has led to a number of farmers' suicides; an acute crisis in a range of traditional activities; and a serious erosion of the quality of the State's social sector whose remarkable achievements in the past had attracted international attention to what was called the "Kerala Model". A plan outlay of Rs. 40,422 crores in current prices is proposed for the five-year period, which in real terms entails a 50 per cent increase over the actual outlay incurred during the tenth plan. The Annual Plan for 2007-08 is pegged at Rs. 6950 crores. The Eleventh Plan, even while promoting the development of sunrise sectors like Information Technology, Bio-Technology, Tourism and modern industry,

addresses itself to the task of reviving agriculture and traditional industry and of defending and carrying forward the social sector achievements. While welcoming large entrepreneurs it also visualizes a process of "development from below" by promoting local entrepreneurship. A noteworthy feature of the plan is the inclusion of 12 pro-poor "flag-ship" schemes with a total outlay of Rs.1963 crores. These schemes cover agriculture, health, education, housing, gender awareness, employment, social security, marketing of petty production, small industry and IT, nutrition, rural energy and administrative reforms. The targets to be achieved under these schemes include: universal health security through the provision of free health-care to the bottom 30 per cent of the population, and of health-care at affordable prices to the rest; extension of the mid-day meal scheme to cover High School and plus-two students; an extensive scheme of fellowships for research students and of scholarships for plus-two and College and University students, and the creation of 200 additional posts in Colleges and Universities; the provision of free housing to all the poor households through the construction of new houses and the renovation of old dwellings; and the revival of rice production in the State and the stabilization of its cash crop economy. Altogether, the eleventh five-year plan offers a new deal to the people of the State.

5. Another challenge before my Government was to ensure justice, equity and access in the professional education sector. The policies of the previous Government had led to the total

commercialisation of the professional education. In the self-financing professional colleges, admission and fee structure were such that the poor and middle class aspirants for professional education were denied opportunities. My Government enacted a legislation for enforcing social control on unaided professional educational institutions. Although some of the provisions of this law have been struck down by the Hon'ble High Court of Kerala, an appeal has been filed before the Hon'ble Supreme Court. Even with this limitation my Government have been able to take some measures to ensure equity and social justice to some extent in this sector.

6. My Government is committed to maintain peace and communal harmony in the State. The attempts of some forces to disrupt communal harmony will not be tolerated. There had been such attempts recently in Balaramapuram, Thirur and Tanur. But their evil designs were foiled by the Police with the support of democratic and secular forces. My Government will continue to be vigilant against such forces, which try to create communal tension and suppress them.

7. The economic policies of the UPA Government are not helpful to the State Governments for the proper management of their finance. Even when the States are starved of funds for development purpose, Government of India is not prepared to share their revenue, generated out of service taxes. While the policy of the Central Government is to sell off the shares of the Public Sector

Undertakings and to give concessions to the private sector monopolies, my Government is trying to strengthen the Public Sector and make them profitable. This approach of the Central Government in disregarding the strong opposition of the Left Parties is against the approved Common Minimum Programme also. My Government is of the opinion that any move by the Central Government to open up the retail sector to foreign direct investment can only be to the disadvantage of large number of small traders. The Central Government is continuing to neglect the agriculture sector even when large number of farmers are committing suicide all over the country. My Government with all its might is taking up these issues with Government of India and is raising them in all possible forums so that Kerala gets its due share in the allocation of resources and special assistance for the development of agricultural sector.

8. The Government will take all possible measures to see that the closed industrial units and plantations are reopened. In order to encourage the reopening of closed plantations and industrial units my Government have decided to waive the minimum demand charges during the period of closure for such units on their reopening. An act has been passed by my Government for the welfare of workers of shops and establishment. The spread of communicable diseases is caused because of water and air pollution. To overcome this, Government have decided to accord highest priority to this and has launched a programme called "Malinya Mukta Keralam" to remove all kinds of pollution with the help of Local Self Government.

9. My Government will review the implementation of the Centrally Sponsored Schemes many of which are formulated taking into account the conditions in North Indian States. The State Government have already requested the Central Government to make appropriate changes in these schemes to suit our requirement. Kerala has also demanded that the entire allocation under the CSS should be by way of grant.

10. As part of the golden jubilee celebrations of the State the Prime Minister laid the foundation of new international terminal and the aircraft maintenance of Air India in Trivandrum Airport.

11. My Government had promised that it will not tolerate corruption in any form and will strive to ensure transparency and accountability in governance. The aim of the Government is to ensure a corruption free civil service. The Vigilance and Anti-Corruption Bureau will pay special attention to the investigation of serious and long pending cases of corruption. During the investigation of cases the Bureau will particularly look into systems and procedures to identify deficiencies and loopholes leading to corruption and suggest remedial measures. The suggestion of the Vigilance Department to introduce photo identification for the buyers and sellers of property while registering documents has been accepted by Government and will be implemented. My Government will not hesitate to take strongest possible action to root out corruption in all its forms.

My Government have already ordered that the allegations of corruption in the Kerala State Transport Project and Travancore Devaswom Board will be enquired into by the DVACB. The corruption in the Kerala State Civil Supplies Corporation during the tenure of the previous Government has been referred to the CBI for investigation.

12. My Government is committed to the development of agriculture and the welfare of the farmers. The name of the Department of Agriculture will be changed as the Department of Agriculture and Farmers' Welfare. The year 2007-08 will be declared as "Harithavarsham", the year of Agriculture and Farmers. "Harithasree", a programme to produce 15 lakhs tonnes of vegetables and make the State self-sufficient will be launched. Organic farming will be encouraged and the technical know-how for this will be widely transferred to the rural farmers. Palakkad, Wayanad and Idukki will be developed as organic farming based 'vegetable districts'. 100 bio-villages will also be started with emphasis on organic farming. To increase the production of coconuts, a scheme 'Kerasree' will be launched involving self help groups of farmers. A new scheme 'Kerala Sree' will also be launched to develop paddy cultivation. One major concern is the trend of the area under paddy cultivation declining over the past few years. My Government will bring in a suitable legislation to curb this trend. Another legislation for regulating agriculture marketing also is proposed so as to safeguard

the interest of our farmers from the onslaught of multinationals in this field. 'Kisan Sree', a scheme to provide security to the farmers under 'Karshaka Kshemanidhi' will also be launched. A high power Advisory Council under the Chairmanship of the Chief Minister will be set up to provide guidelines on the implementation of these programmes to rejuvenate the agricultural sector.

13. The objective of my Government is to achieve self-sufficiency in milk production during the 11<sup>th</sup> Plan period through an Intensive Dairy Development Programme. Government will encourage mini and large commercial Dairy Projects, take steps to upgrade the cattle population and concentrate on entrepreneurship development to create more employment opportunities in this sector. Kannur, Kozhikode and Malappuram will be developed as 'native Malabar goats pure breed track'. Wayanad district will be made a major centre of milk production and milk products by establishing a joint venture project with NRI participation. In order to double the production of egg, various schemes are being implemented by the Kerala State Poultry Development Corporation. My Government intend to launch a new scheme called poultry village. The District Veterinary Centre, Thiruvananthapuram will be developed as a Super Speciality Veterinary Hospital.

14. Rural economy in Kerala is to a great extent influenced and controlled by Co-operatives, which were grossly mismanaged during the period of the previous Government. My Government is

taking all efforts to prevent the corruption and mismanagement and to strengthen them so as to make them viable and financially stable institutions. In order to ensure timely credit at concessional rates of interest to the farmers my Government have taken a policy decision to reduce the rate of interest on agricultural credit. Central Government will also be persuaded to take measures so as to make credit available at still lower interest rates.

15. Through the 'Sahakarana Nikshepam Keraleeyam', a special deposit mobilisation programme, launched by the Co-operative Department during Kerala Piravi 1260 crores of rupees have been mobilised involving additional four lakhs new members in the co-operative movement. My Government will encourage setting up of more co-operative hospitals, modern clinical laboratories and blood banks. Special emphasis will be laid on the re-organisation of the co-operative department. Under a new scheme, loans will be provided for meeting the marriage expenses of poor women at 4% interest rate. 'CONSUMERFED' and Primary co-operatives are actively involved to ensure supply of essential commodities at reduced prices. Kerala Institute of Co-operative Management will be set up near Neyyar dam in Thiruvananthapuram offering higher management courses in Co-operation.

16. Preservation and conservation of our cultural heritage has always been accorded due importance by my Government.

Government propose to carry out scientific conservation of heritage buildings and renovation of Museums and Art Galleries. Memorial centres of persons of eminence in the socio-cultural arena will also be developed. Kalamandalam will be converted into a Deemed University.

17. My Government attaches utmost importance to the environmental issues and will prepare an Environment Policy for the State. Co-ordination of the 'Save Periyar' Plan, commissioning of a model municipal solid waste management plant at Kozhikode, setting up of a surveillance centre at Eloor for monitoring water quality of Periyar, implementation of the Action Plan for conservation of Vembanad lake are some of the programmes proposed to be undertaken by the Pollution Control Board.

18. To have a better control over the finance of the State all the Treasuries are computerised and a dial up system has been put into operation, by which the entire transaction data of all Treasuries on a day are transmitted and consolidated at the central server. In an effort to safeguard the interest of transacting public and also to check effective outflow of Government money, the treasuries are being connected to the Agency Banks. The work relating to introduction of "Wide Area Network" facilitating inter-connectivity between the treasuries is under way. My Government is actively considering revamping of Savings Bank facility available in treasuries.

The deposits so received can be utilized for developmental activity and the depositors will in turn get attractive interest on their deposits.

19. The State Insurance Department plays a vital role in raising non-tax revenue to the Government. In order to ensure increase in the premium income, the Department has initiated action to introduce one or two new products in the life branch similar to that of the LIC products. The Department has also drafted a new scheme named 'Matsya Dhenu', a comprehensive insurance scheme for the fishermen and their families in Kerala.

20. My Government intends to introduce a legislation for debt relief and a comprehensive insurance scheme for the fishermen. Steps will be taken to implement a total housing scheme for the fisher folk. Interest free loans will be made available to 40,000 fisher women engaged in fish vending. Adequate infrastructure facilities for fish marketing will be created and production and marketing of value added fish products will be encouraged and the quality of such products will be ensured by introducing a system of branding and certification. 100 model fish markets will be established in selected centres. Construction of Fishing Harbours at Thalai (Thalassery), Kasaragod, Cheruvathoor and Chettuvai will be started during the current year.

21. My Government have decided to formulate a new Port Policy and is also planning to constitute a Maritime Development Board for the development of maritime related activities. Government

is also planning to establish two Maritime Institutes at Thiruvananthapuram and Kasaragod. Government have embarked on a programme to develop Thankasserry, Alappuzha, Munambam, Beypore and Azhikkal Ports with public private partnership using the viability gap-funding scheme of the Government of India. The deep water International Container Transshipment Terminal at Vizhinjam is proposed to be re-tendered.

22. A serious problem confronting the State at the moment is that of inflation in the prices of essential commodities. This is a nation-wide problem, but is particularly debilitating for Kerala, which imports a large proportion of its essential requirements from the rest of the country. The current price-rise is not only much steeper than what has been experienced in the recent past, but is also caused by factors that are altogether different. *And it is directly attributable to the neo-liberal policies pursued by the Central Government.* Price-rise in the period of liberalization has generally been of the "cost-push" rather than of the "demand-pull" variety, because liberalization has entailed a restriction of demand, especially of the common people, through its accompanying policy of public expenditure compression (of which the various Fiscal Responsibility Acts are a manifestation). But the current inflation is of the "demand-pull" variety, not because of public expenditure, and with it the people's purchasing power, has suddenly expanded, but because long years of public expenditure (and investment) compression, and the State's withdrawal from supporting the small primary producers,

have adversely affected the supplies of essential primary products. These have fallen so sharply in per capita terms (food grains are an outstanding example) that notwithstanding the demand restraint imposed by public expenditure compression, there is still a state of excess demand. This problem of scarcity has been further compounded by the Central Government's policies of whittling down of procurement operations and of introducing forward markets. These measures which are supposed to be part of the march towards free markets, have encouraged speculation in a situation of generally tight supplies. The danger now is that instead of curbing speculation, undertaking supply management and introducing price-control measures, the Central Government may go in for further cuts in the amount of purchasing power available to the people, as the means of fighting inflation. This however will not reduce the squeeze on the people; it will only change the form of the squeeze, from a price-squeeze to a purchasing power squeeze.

23. The root cause for rise in the prices of essential commodities is the wrong policies of the Central Government. The Government of India reduced the allocation of Wheat, Sugar, Kerosene and LPG, which contributed to the increase in prices and weakened our public distribution system. To tackle this alarming situation the essential commodities were purchased directly from the production centers and sold through CONSUMERFED, SUPPLYCO and Co-operative Societies at price lower than the market rate by providing subsidy. My Government have taken

effective steps to ensure that the PDS is strengthened and that the ration articles do reach the actual beneficiaries. Food Advisory cum Vigilance Committees at all levels have been reconstituted. In order to check the escalation of prices of essential commodities Government have constituted price monitoring cells in all districts and punitive action is being taken against those indulging in malpractices. The anomalies in APL and BPL lists will be rectified with the help of local bodies and Kudumbasree units. Kerala is a consumer State and 80% of the consumer items are being imported from neighbouring States. Therefore, special assistance from Government of India is necessary for the effective market intervention.

24. My Government, in order to maintain a steady supply line at affordable prices and to prevent malpractices leading to artificial price-rise will strengthen the market intervention scheme. Government propose to start new petrol bunks in 8 districts thus covering all the districts during this year. Government will continue the scheme to procure Paddy directly from farmers and to distribute it through the public distribution system after its conversion to rice. Consumer Protection Councils at State and District levels are being constituted to protect the interests of the consumers.

25. My Government is committed to the protection and conservation of forests and wildlife. The empowerment and economic well being of the forest dependent communities will be ensured. The policy of the Government will be to involve the local people thereby creating employment opportunities for them and thus

gradually removing the middlemen and contractors from forestry works. A charitable company will be formed for the production, collection, value addition and marketing of forest produce.

26. An Act in place of the existing Kerala Promotion of Tree Growth in Non-Forest Lands Ordinance, 2006 is proposed to be enacted. Another enactment for the Protection and Management of Sandal in the State will also be brought into force. My Government will provide 50% financial assistance to local bodies to dig trenches and provide power fencing to protect the crops of farmers from wildlife. A sandal wood oil factory will be established at Marayoor under Government control. My Government is attempting to enter into a new era in the history of social forestry in the State. As part of this, three important campaigns are in the offing namely, (1) "Vazhiyora Thanal", to be realized with the involvement of the Headload Workers, (2) "Ente Maram" in co-operation with the Education Department, (3) "Theeravanam" to be implemented along with Fisheries Department. My Government have decided not to use Acacia like species for social forestry activities.

27. My Government on assuming office had decided that all existing vacancies in Government and Public Sector Undertakings will be reported to the Kerala Public Service Commission. The Kerala Public Service Commission has initiated action to speed up the process of recruitment and to ensure that the rank lists are prepared within a period of six months from the date of publication

of notification. Common notification will be issued for posts under various Departments having common qualification, scale of pay and recruitment rules to the extent possible.

28. Kerala's achievement in providing educational facilities to the masses is well known. To make it broad based and to improve the qualitative aspects of education my Government propose to introduce a scheme for the strengthening of the heritage Schools in Kerala. Under this scheme Government Schools, which are more than 50 years old and known for their academic performance and co-curricular activities will be strengthened. The concept of lead schools will be strengthened with the help of Local Self Government Institutions. My Government will also take steps to use the advances in IT and satellite communication for improving the quality of education. In the coming year Government propose to set up multimedia facility in 200 selected Government High Schools.

29. Kerala has achieved success and wide acclaim in providing basic health care. To improve the overall public health care further, my Government is formulating a "People's Health Policy". A transparent and efficient mechanism will be evolved for the purchase and distribution of medicines. My Government have established Kerala State Health & Family Welfare Society and District Health & Family Welfare Societies for integration and inter-departmental co-ordination of public health activities in the State. A Medical University will be established. New Women and Children

Hospitals will be established in the districts where there are no such hospitals at present. Facilities for the training of nursing and paramedical staff will be increased. A new Public Health Laboratory will be established in the Northern Kerala. New dispensaries in Ayurveda and Homoeo will be started in a phased manner in all the Panchayaths where no such facilities are in existence. Better facilities will be provided for the early detection and treatment of life style diseases. A new, unified State Public Health Act will be adopted to replace the outdated Acts now in existence.

30. My Government is committed to ensure equity, access and excellence in higher education. This would involve greater expenditure on the part of Government in both Government and aided institutions as also greater social control on self-financing institutions. My Government have also taken steps to set up a Higher Education Council for policy formulation and co-ordination in the field of higher education.

31. My Government intends to revise the University Statutes so as to make them effective instruments for improving the efficiency and accountability of the University system. An Open University will be established to meet the emerging need for expansion of quality higher education.

32. My Government have initiated many steps to improve the functioning of the Police in the State. In order to strengthen the investigating machinery, law & order and crime investigation branches

will be separated. As a beginning this has been done in the major cities of Thiruvananthapuram, Kochi & Kozhikode. Eight-hour shift duty system has been introduced in 17 selected police stations in each of the 17 police districts. 44 Police stations in the major cities were computerized during 2006-2007 with facilities such as DNA Analysis, Cyber Forensics and Brain Fingerprinting. For computer related crimes, which are on the increase, Cyber Crime Police Stations are proposed to be started in Thiruvananthapuram, Kochi and Kozhikode during 2007-2008. In order to bolster the morale of Police personnel and to increase the promotional avenues of Police Constables and Head Constables, who have not benefited by promotion for long periods, my Government have accorded sanction to designate the Police Constables who have put in 15 years of service as Head Constables, and those who have put in 23 years of service as Assistant Sub Inspectors of police. During 2007-2008 it is proposed to revise the Kerala Police Act comprehensively for catering to the needs of modern police and also to make the police more accountable and service oriented. As a part of modernization of Police, it is proposed to computerize all police stations in the districts of Kollam, Pathanamthitta, Thrissur and Kannur during the year 2007-2008. The Forensic Laboratory will be provided with more facilities such as DNA Analysis, Cyber Forensics and Brain Fingerprinting. My Government propose to introduce community policing in all Corporations and Municipalities in this State.

33. A comprehensive Prisons Act for the whole State will be brought into force. Prisons Department has made arrangements for video conferencing facilities linking the major criminal courts and jails of Thiruvananthapuram District. The system will be operational once the amendment to the relevant sections of the Cr. P.C. is made for which action has been initiated. The department proposes to construct a modern prison Headquarters at Thiruvananthapuram and a new Central Prison in Pathanamthitta District. Further, the department is attempting to open more open prisons and women's prisons. During 2006-2007 Narcotic Divisions were started in Chemical Examiners Lab, Thiruvananthapuram and Regional Chemical Examiners Lab, Kozhikode by which the analysis of drugs and psychotropic substances can be done effectively. My Government propose to computerize the courts in the State with central assistance and to establish a few new courts from the priority list published earlier. It is also proposed to construct new court complexes at Thiruvananthapuram and Ernakulam during 2007-2008. My Government propose to start a separate Court to deal with the cases relating to atrocities against women and two Special Courts to deal with the cases relating to atrocities against members of SC/ST.

34. Fire & Rescue Services Department has taken up the construction of six Fire and Rescue Stations in the State out of which 2 stations have already started functioning and construction of the other four has been completed and they will be commissioned shortly. Fire Service Academy at Vyyur, Thrissur is almost complete and expected to be functional this year.

35. To evolve strategies and an Action Plan for major housing initiatives my Government have already launched an ambitious programme termed as "Housing for all by 2010". The State Housing and Habitat Policy 2007 is also proposed to be finalized by March 2007. The Kerala State Housing Board has initiated action to constitute a "Relief fund" for providing financial assistance to the BPL families of the State for house construction. My Government is proposing to launch a new Scheme for providing assistance in association with voluntary agencies/local bodies to the BPL families both for the purchase of at least 2 cents of land and for the construction of houses. Nirmithi Kendra will be taking up various activities for popularising low cost housing.

36. My Government is committed to convert Kerala as an investment friendly State and is tirelessly endeavouring to make it so. Serious attempts are being made to remove procedural hassles that fetter the development of a strong industrial structure in the State. Government is concentrating more on improvement of infrastructure facilities, encashment of specialities of Kerala Society, showcasing specific and unique areas for investment, simplifying procedure and creating an atmosphere conducive for rapid and massive industrialisation. The proposed LNG Terminal and Vallarpadam Container Terminal will surely help the State to go in for industrialisation in an unprecedented scale.

37. My Government is taking all possible steps to revitalise KSIDC. In this financial year an electronic hub in Cochin and Spices

Park in Idukki will be set up. Mega industrial parks and Corridors are planned and action on this will be initiated by KSIDC. KINFRA proposes to set up a Knowledge Park at Kozhikode with world-class facilities, a Biotechnology and Electronics Corridor at Kochi and a Health and Textile Corridor in Palakkad. SIDCO proposes to set up a Telecom City, which will create employment opportunities for about 6000 people. Activities of K-BIP have been streamlined and it will take a lead role in promoting the industries. My Government have also taken steps to increase production and marketing of Khadi items. Steps will be taken to improve productivity in this sector by replacing old charkas and looms.

38. When my Government assumed office, out of 57 Public Sector Units under the Industries Department only 12 were showing profit. I am glad to inform that within 9 months the number of profit making Public Sector Units have gone up to 22. Steps are being taken to make remaining Units also profitable. My Government is committed to protect the assets of the Public Sector Units and to utilise them for industrial promotion.

39. It is the objective of my Government to promote Cashew Industry on which a large number of workers from the marginalised sections of society depend for their livelihood. Programmes will be implemented to improve productivity and quality. More value added products will be developed and launched in the market. Cashew plantation will be promoted in a big way so as to increase the

availability of raw cashew nuts. KSCDC and CAPEX will be revitalised with the assistance expected from the Government of India. The Government also intend to constitute an agency consisting of Trade Union representatives under the Cashew Special Officer for the development of cashew industry and cashew plantation. My Government is also committed to effect timely modification of the existing Welfare Fund Scheme and enhance the benefits admissible to the workers. New welfare schemes are proposed to be launched for the Gold workers and Small-Scale Plantation workers.

40. Coir Industry is the most important traditional industry in Kerala, employing 3.75 lakhs workers, of which 3 lakhs are women from BPL families. But due to many reasons most of the co-operatives have become unviable and as a result they are not in a position to provide work to even a portion of its members on regular basis. In order to revive this traditional sector my Government intends to implement a number of programmes in the coming year like promoting raw husk defibering mills in hinter lands in Private and Co-operative Sector in association with Kudumbasree and Local Self Government institutions to ensure conversion of at least 50% of the husk produced in the State into fibre, introduction of Purchase Price Enforcement Scheme and effective market intervention programmes through procurement of yarn, coir and coir products through Distress Purchase Scheme. The Sick Unit Revival Scheme now being implemented will be continued to cover maximum Co-operative Societies for improving productivity and employment

generation. To enhance export of 100% hand made coir products, special incentives will be introduced and the Brand name "Kerala Coir - Golden Yarn of God's Own Country" will be popularised. Steps will be taken to revamp Coirfed, Coir Corporation and Foam Mattings (India) Ltd. to make them profit making institutions.

41. Media has become an essential part of the life of people of the State. To meet the challenges in new and emerging areas in the media, the Information and Public Relation Department will be modernised to effectively discharge their role of disseminating information about the programmes and policies and the functioning of the Government.

42. The proactive business development activities undertaken by Infopark and Technopark have resulted in the growth of the IT industry. My Government will develop these institutions so as to make them a hub for IT industry. A Technocity on the outskirts of Thiruvananthapuram would be developed as a self contained IT township. My Government is planning to set up IT Parks as a hub and spoke model, in all district headquarters and in selected locations including rural areas for uniform development and to transform Kerala into a destination for knowledge based industries. The new IT policy will be announced shortly. Government intends to create 2 lakh employment opportunities in the next five years in this sector. Government offices at the district and block levels will be provided with connectivity as a part of Kerala State Wide Area Network and 15 Mission Mode projects under the National

e-Governance Plan will be implemented during the year. Akshaya e-centers statewide will be backed up by broadband connectivity and it will be accessible to common man even in the remotest part of the State and would also be used as dissemination points of e-governance services to public.

43. My Government is committed to ensure enforcement of labour laws, maintenance of conducive industrial relations and implementation of welfare schemes. A rejuvenation package for the plantation sector with the assistance of Central Government will be launched. Discussions have already been initiated to open 22 tea estates remaining closed for the past few years.

44. The Law Reforms Commission, which will commence functioning this year, will recommend on simplification, amendment and consolidation of existing laws and will propose necessary new legislation. My Government propose to establish permanent Lok Adalaths at Ernakulam and Kozhikode and Legal Aid Clinics in all Districts with the co-operation of the Legal Services Authority.

45. It was only a little over eight months ago I had outlined the vision of my Government in strengthening decentralization and transforming Local Governments into engines of local level development. I had also identified certain important action points in this regard. I am happy to state that in this short space of time there has been considerable progress in attaining the intended objectives.

46. Thiruvananthapuram and Kochi Corporations have prepared City Development Plans and detailed project reports for nearly Rs. 2,000 crore. The Kerala Sustainable Urban Development Project is also off the block. The smaller towns have also prepared very good programmes especially for the poor. Now the challenge is to enhance the implementation capacity of the cities and towns on which my Government places special importance. I am happy to state that under the Pradhan Mantri Gramin Sadak Yojana, in the last six months alone 164 kilometers of rural roads have been tendered and detailed project reports have been prepared for another 750 kilometers. This is a substantial leap in a short time considering the fact that since the inception of the scheme in 2000 only 682 kilometers of roads had been taken up.

47. By integrating Swarna Jayanti Gramin Swarozgar Yojana (SGSY) with Kudumbashree, my Government have unleashed the potential for increasing the number of viable micro enterprises for the poor in rural areas. Kudumbashree would be geared to accomplish the tasks of improving the quality of products and identifying markets by starting Urban Haats and promote Rural Business Hubs. The much delayed computerization of local governments has also got off the ground and will be fully implemented speedily.

48. My Government considers it imperative to make local governments vibrant institutions for local governance. The immediate task is to prepare the Eleventh Five Year Plan focusing on local

economic development and high quality provision of public services within the framework of a pro-poor development strategy. The process of preparing the Annual Plans and the Five Year Plan has been set in motion. The preparation and implementation of the Plan would be fully participatory under the democratic leadership of elected bodies. The various measures suggested by the State Finance Commissions would be implemented including amendments to the relevant statutes wherever necessary.

49. Now that Local Government Institutions have matured, it is time to enable them to access the markets for funds. For this purpose the Kerala Urban and Rural Development Finance Corporation will be restructured into a professional body capable of channelising funds from the market to viable projects proposed by the Local Governments. It is also proposed to set up a Micro Finance Institution (MFI) to provide credit to the poor at reasonable rates.

50. The Department of NORKA has been successfully taking up various issues concerning the welfare of NRKs with Government of India and other State Governments. The Department has also launched Pre-Departure Orientation Programmes for the job aspirants of the State to make them aware of the general job situation abroad and to provide other essential information to guide them. The Government will initiate steps to promote investment opportunities for non-resident Keralites with proper planning which will benefit both the State and the NRKs.

51. For optimal and sustainable use of our land resources the Kerala Land Use Board intends to take up the Generation of Land Resource Information System, Land Use Planning at Panchayat Level, Development of farm models and Decision support System for Agricultural Management in the coming year.

52. My Government is committed to keep Kerala State Electricity Board as a Public Sector Utility by suitably restructuring it. The target of the Government is to increase the generation capacity by another 500 MW during the tenure of the present Government. As a part of this, work on the Pallivasal Extension Scheme has already started. The work on the 400 KV Power Highway will also be completed in the next four years. Distribution and transmission networks will be strengthened to provide reliable quality electricity to the consumers. My Government is committed to electrify all the houses during the 11th Plan period and all the SC/ST households within the next two years. Power tariff had been reduced considerably for rural water supply schemes, enabling them to operate effectively.

53. Government will give priority to Hydro Electric Projects. Maximum assistance will be provided to District Panchayats for the implementation of small Hydro Projects. Hydel Tourism activities will also be promoted. Energy conservation is another area of priority. District energy plans will be prepared and implemented. Minimum Demand Charges for closed Plantation and Industrial Units will be waived on their reopening.

54. My Government will give top priority for improving the standards of roads and road safety measures. Efforts are being made to complete the 1<sup>st</sup> phase of the World Bank aided Kerala State Transport Project in a time bound manner. The implementation of the 11<sup>th</sup> phase will be started this year itself. The Road Fund Board will be upgraded as an institution to play a major role in the development and maintenance of roads. While signing contracts for construction of roads clauses for maintenance will also be incorporated. My Government accords priority for developing the National Highways and upgrading them for Four Lane traffic. Roads to tourist destinations and pilgrim centres, such as Kakkanad Thankalam-Munnar road, Nedumabassery-Kodaikkanal road, Kollam-Sabarimala road and Pollachi-Parambikulam-Sabarimala road, will be improved.

55. We all are aware of the fact that Kerala is a model State in the implementation of land reforms. To mitigate the problem of landlessness my Government is committed to issue Pattas to at least 25,000 landless people belonging to the poorest of poor section of the society in the coming year. 17,000 landless farmers in the coastal area will be provided with land and houses. Surplus land of about 72,000 acres will be distributed among the landless poor people. 19,500 landless tribals in settlement colonies will be issued with Records of Right. On successful completion of the joint verification of land by the Forest and Revenue Departments, Pattas will be issued to all

farmers settled in the high land areas before 1-1-1977. Steps will be taken to provide own buildings to all the Village Offices in the State, and to computerise and modernise them.

56. My Government's commitment in protecting the interest of farmers is evident from the fact that the Farmers Debt Relief Act has been passed to protect the farmers of the State who are in distress. This legislation I am sure will safe guard agriculturists from the unscrupulous moneylenders.

57. My Government have taken up major initiatives in implementing Tsunami Rehabilitation Programme for developing infrastructure, alternative livelihood, housing and coastal protection activities in 9 coastal districts with an outlay of Rs.1441 crores. These projects will pave the way for a better life for the people of the coastal belt. Government had also ordered an enquiry into the allegation of misappropriation of Tsunami funds by the previous Government. The report has since been received and prompt action will be taken on them. This year my Government will constitute the State Disaster Management Authority and a Land and Disaster Management Institute. The Survey and Land Records Department will be establishing Kiosks in all Taluks in a phased manner to provide information of resurvey to the general public and the pending resurvey works in the State will be completed within three years utilising sophisticated equipments.

58. My Government have already promulgated an Ordinance to ensure transparency in the affairs of the Devaswom Boards. My Government will finalise a Master Plan for Sabarimala after due discussion with all concerned including ECOSMART as stipulated by Government of India and in line with the directions of the Supreme Court and is committed to render all necessary assistance to the Travancore Devaswom Board for its implementation. In order to improve the functioning of the temples in Malabar area and to fulfill the aspirations of the devotees there, my Government will bring a legislation to constitute a Malabar Devaswom Board in 2007 itself. The Hindu Religious & Charitable Endowment (Administration) Department will be given its due importance and the administration of Malabar temples will be made more efficient and corruption free.

59. My Government is committed to the welfare of Scheduled Castes, Scheduled Tribes and Backward Communities. Arrears of educational concessions to the students belonging to these communities to the tune of Rs. 40 crores which had accumulated over the last few years have been fully settled. The students getting admissions to Engineering Colleges through Lateral Entry scheme have been made eligible for the educational concessions including fees fixed by Justice Thomas Commission. My Government have also decided to give educational concessions including fees to students belonging to SC/ST and OEC students of self-financing courses conducted directly by Universities and Government controlled institutions.

**60.** My Government have chalked out a comprehensive health scheme for Scheduled Tribes utilising the additional central assistance received in 2004-05. According to a recent judgement of the Hon'ble Supreme Court children of inter-caste married couples will get the status of SC or ST only if the father belongs to these Classes. Government considers this situation needs correction and the Ordinance promulgated to that effect is awaiting assent of the Hon'ble President of India.

**61.** My Government accord top priority to the distribution of land to the landless tribals. Distribution of land in the Aralam Farm will be completed based on the understanding with the tribal organizations and people's representatives. The process of issuing title deeds to the tribal families to whom land has been allotted has been speeded up. All the issues relating to allotment of land to tribals and the welfare measures for those allottees will get due attention of the Government. Government will soon appoint a Commission for Scheduled Castes and Scheduled Tribes.

**62.** The Kerala State Council for Science, Technology and Environment proposes to bring out a new scheme to provide financial and technical support for students pursuing graduation as well as post graduation studies in professional colleges. An annual Science and Technology summit will be organised to showcase the project deliverables and may serve as a platform for students to display their inventions/prototypes. Some of the other activities proposed

by the Council in the coming year are to bring out Atlases for Natural Resources and Environment using remote sensing data, Eco-restoration work of Bharatapuzha with people's participation, soil quality monitoring of the State and water quality status and water balance studies in the river basins of Kerala to help develop the full potential of the rivers of Kerala.

63. My Government is committed to create an environment where the women are not discriminated and where they can lead a dignified life. With this objective my Government will formulate a State Womens' Policy. The activities of Womens' Commission will be made more effective. Womens' Jagrata Samiti will be activated under the leadership of Local Self Government Institutions. Steps including statutory mechanisms will be put in place to take effective action in cases of atrocities against women. Proper mechanism will be put in place for effective implementation of the provisions of PNDT Act and Prevention of Domestic Violence Act.

64. The State Policy on Elders will be implemented by my Government so as to help the older people in the State. Activities for the welfare and rehabilitation of the physically challenged will also be strengthened and job reservation according to PWD Act will be ensured. My Government will constitute Juvenile Justice Boards and Child Welfare Committees in a democratic manner and will strengthen them. A scheme for rehabilitating those who have become dependent and poor due to prohibition of child labour will

also be implemented by my Government. A special fund will be set up for providing medical assistance to the poor widows, unwed mothers and other suffering sections of women who contract cancer, TB, HIV and other debilitating diseases.

65. My Government intends to frame a new sports policy. A Sports Commission will also be constituted for conducting a detailed study on this aspect. The existing Sports Councils will be decentralised and reconstituted up to grass root level and emphasis will be given on creation of sports infrastructure facilities in the rural areas apart from establishment of district sports complexes in all districts.

66. Kerala State Youth Welfare Board propose to launch a new "Planned Self Employment" Scheme by operating "Self Employment Exchanges" at Grama Panchayath Level. An International Youth Convention Centre in the premises of youth Hostel at Veli, Thiruvananthapuram is proposed to be established. It is decided to form a voluntary service group, of youths viz., 'Yuvasena' for dealing with disaster management. In order to encourage youth to venture more in travel and tourism, the Board propose to launch a scheme 'Yuva Athidhi Mandiram', a chain of youth hostels in all districts to provide economical, safe and hygienic accommodation to youth travellers. A scheme named 'Sanadha Balyam' will be implemented for the welfare of deprived and destitute adolescents including street children, orphans, inmates of care homes and Juvenile Homes etc.

67. The Commercial Taxes Department has succeeded in stabilizing the Value Added Tax system in Kerala over the last two years. The cornerstone of Value Added Tax is the self-assessment system, which has brought a measure of relief to the trade but infrastructure facilities in Commercial Taxes Department need to be upgraded to ensure that taxpayers are greeted and treated with dignity. Government will modernize these offices this year to ensure attainment of this objective. My Government will also bring in comprehensive legislation this year to protect the common man against moneylenders as well as fly-by-night operators who collect deposits from the public and vanish.

68. State Lotteries stand as a major source of collection of non-tax revenue to the State. In addition to the existing weekly lottery, my Government also plan to introduce Special Purpose Bumper Lottery to mop up additional revenue. A comprehensive restructuring of the Lottery Agents' Welfare Fund is proposed to be undertaken this year to make the scheme more attractive by recognizing the sellers also under the scheme.

69. My Government is fully committed to modernise, computerize and strengthen the Excise Department to deal with Abkari related cases. The Excise personnel will be provided required arms and vehicles for effective enforcement. Government also attaches lot of importance to campaign against alcoholism and drug abuse

with people's participation. My Government will revive the toddy shops, which were closed during the previous years, to strengthen the traditional toddy sector.

70. In order to make registration process transparent and to eliminate corruption and strengthen public faith in the system my Government is committed to introduce fair value of land. All the Sub Registry Offices in the State will be computerized by the end of this year. Installation of Digital Image Printer at Sub Registry Offices will help to avoid inordinate delay in issuing certified copies to the public. This has been introduced successfully in Ernakulam District on pilot basis. My Government intends to implement this project in other Sub Registry Offices also.

71. Kerala is continuing as the prime tourist destination of the country. The year 2006 was the best ever season for the State registering a growth rate of 25% in the foreign tourist arrivals. Kerala Tourism won many National and International Awards during the year 2006 and was one of the three finalist international destinations in WTTC's "Tourism for Tomorrow" awards, 2006.

72. My Government have decided to place "Responsible Tourism" as the centrepiece of our initiatives in the promotion of tourism. A year long road map will be prepared to ensure that the various stakeholders are brought into the framework of responsibility, and the benefits of tourism are shared by the local community and

the poor. An International Conference on Responsible Tourism will be held during the year to evaluate the progress achieved in this field globally, and to learn from experiences of other destinations.

73. Human Resource Development is of paramount importance in the tourism sector. My Government propose to prepare a "Framework for Certification and Accreditation" for tourism related courses in the State, that will provide the platform to certify these courses, and award accreditation to institutes and schools offering courses related to tourism meeting laid down criteria. My Government will take every step to promote private investments in tourism including formation of Kerala State Tourism Finance Corporation.

74. Tourism Department will identify new destinations for comprehensive development. Traditional Festivals have the potential to attract tourists, because of the colour and gaiety accompanying them. My Government propose to prepare a "Five Year Calendar of Festivals and Events" and provide support to major festivals.

75. Linkage of tourism sector with the traditional sectors of the State such as agricultural and industries will be strengthened. A new Scheme for promoting souvenir industry will be commissioned to assist the persons involved in the products such as coir, handloom, handicrafts etc. in capacity building and converting the conventional industrial activity as a tourism product. A Craft Village will be

developed in Iringal, Kozhikode. Marketing efforts of Kerala Tourism will be strengthened and will be extended to new markets like South Asian Countries and United States.

76. In order to provide better, speedy, transparent and user-friendly services to the public my Government have decided to go in for total computerization of Motor Vehicles Department. Measures will be taken to improve the quality of driving and to reduce the road accidents. Modern equipments will be used to check traffic violations. Services from the offices of Motor Vehicles Department will as far as possible be provided by post in order to avoid exploitation by middlemen.

77. The KSRTC will take steps to increase its fleet strength to satisfy the growing needs of our commuting public. A total development of Management Information System through proper computerisation is envisaged for improving the efficiency of the Corporation. KSRTC has taken steps to reduce cost on account of kilometer per litre operation after giving training to 3000 drivers. I am happy to note that during this year total number of accidents have been reduced substantially from last year's figure of 1513.

78. My Government is committed to provide safe drinking water to the people of the State. During 2007-08, it is planned to extend water supply to 2833 more habitations. The JBIC aided Kerala Water Supply Project is targeted to be completed in 2009.

A PVC factory and bottling plants will be commissioned this year. The Regional Quality Control Lab of Kerala Water Authority will be upgraded as State Level Water Quality Referral Lab. It is also planned to implement a major water supply scheme in Alappuzha under Urban Infrastructure Development Scheme for Small and Medium Towns. It has been decided to take up 21 comprehensive large surface water supply schemes with the active support of Kerala Water Authority.

79. My Government propose to amend the existing laws governing water supply so as to prevent incidents of unauthorised connections, thefts and other illegal activities in the sector. My Government will also enact a comprehensive legislation to put in place measures to regulate and control boating in the water bodies with the State.

80. In the major irrigation sector, the Muvattupuzha Valley Irrigation Project is proposed to be commissioned by December 2007 and the Idamalayar Irrigation Project in 2008. Karappuzha Irrigation Project is nearing completion. The work of RCB, Thrithala has been completed and it will be fully commissioned during 2007. The work of Palakappandy Diversion Scheme is in good progress. Kallada Irrigation project is already included in the CADWM Programme. In the Minor Irrigation Sector, in the districts of Palakkad, Wayanad and Kasaragod it is proposed to undertake works amounting to Rs. 70.03 crores under the Rehabilitation Package for Farmers by availing NABARD assistance. Under the

Command Area Development Scheme, it is proposed to implement Participatory Irrigation Management in 12 Projects.

81. Works relating to the development of the Kovalam-Kollam and Kottapuram-Hosdurg reaches of West Coast Canal and other feeder canals in the State have begun. My Government is taking all possible steps to see that the National Waterways III from Kollam to Kottapuram is fully operational in the coming year.

82. Hon'ble members, as you are aware, this is the Golden Jubilee year of the assumption of office by the first communist Government led by EMS Namboothirippad in 1957, which laid the foundation for the modern State of Kerala. The development and welfare programmes initiated by that Government will be the model for us. The policies of the EMS Government were followed by the successive Left Democratic Governments. My Government will vigorously pursue these policies and promise the people of Kerala that our march forward will be guided by the Left Democratic principles and policies. In this, my Government seeks the support and co-operation of all sections of society.

**JAI HIND**