

**MARCH 14, 1986**

*Honourable Mr. Speaker and Members of the Legislative Assembly,*

I am very happy to welcome you all to the Eleventh Session of the Seventh Kerala Legislative Assembly. I convey my very best wishes to you and through you the people of Kerala.

2. Since I addressed you last, there have been several significant developments on the national scene. Thanks to the wisdom, initiative and farsightedness of our Prime Minister, it was possible to arrive at an amicable settlement in regard to two major issues that were causing serious concern to the whole nation. The Punjab and Assam issues were resolved, and what is more, popular Governments have been installed in both these States. Right-thinking people all over the country have hailed the Punjab and Assam accords as the triumph of patriotism, nationalism and reason over narrow communal and parochial sentiments. However, subsequent events have revealed that we cannot be complacent. Anti-national forces unfortunately continue to be active in Punjab and aided and abetted by certain foreign countries, terrorist activities in that State continue to cause anxiety to us. In certain other parts of the country also, forces threatening the unity and integrity of the nation have once again reared their ugly heads. Etched in our memory are the prophetic words of our late Prime Minister Smt. Indira Gandhi, spoken on the day prior to her assassination: "Even if I die in the service of the nation, I would be proud of it. Every drop of my blood, I am sure, will contribute to the growth of this nation, and to make it strong and dynamic." I have no doubt that these memorable words that have passed into history will continue to inspire us to greater creativity and dedication to the national cause, and most of all, to continue our relentless war against disruptive and fundamentalist forces.

3. Our Prime Minister, Shri Rajiv Gandhi, has given us, more than once, a clear and rousing call to total and unqualified commitment to the task of building an emotionally integrated, economically strong and politically united India. I am sure, all of you will agree that the need of the hour for every one of us, high and low rich and poor, young and old, is to strive towards the fulfilment of this goal. Let us remember that no individual, no political party, no community, is greater than the Indian nation. Accordingly, the policy of my Government will continue to be to lend active support to the Union Government in all its efforts to promote the unity, integrity and strength of the nation.

4. In a developing economy like ours, in which the expectations are high and the needs and demands of people are far more than the resources available to meet them, it is natural that the States seek more and more resources from the Centre in the form of larger share in Central taxes, more Central assistance for the plan, higher market borrowing and adequate help during natural calamities. My Government is of the firm view that all this should not, however, be done through any kind of anti-Centre stance, either in the financial or the political sphere. My Government will successfully deal with the problems of development of the State and its people by walking in step with the Government of India in all matters. Any objective person would see that the State has received timely help and assistance from the Government of India during the last three years and more.

5. The State was affected by natural calamities of rare severity in 1985. During the months of March to May, there were drought conditions in many parts of the State. Special arrangements were made for supply of water and for rural works. Later, there was much loss of life and public property due to heavy rainfall land slides, floods and sea erosion. A massive programme of relief and restoration of damage to public property was undertaken by my Government in quick time, with prompt assistance from the Government of India, who sanctioned a ceiling of expenditure of Rs. 120.62 crores. As a special case, the Central share of the expenditure was enhanced to 88 per cent, compared to the normal 75 per cent. The Government of India also sanctioned Rs. 14.17 crores as advance plan assistance.

6. Again, parts of Palghat and Idukki districts are affected by drought consequent on a weak north-east monsoon. The Central Government have sanctioned Rupees thirty lakhs for immediate relief measures during this month in the drought-affected areas.

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7. When the present Government came to power, the State faced acute financial difficulties. Too many commitments had been entered into without corresponding resources. The financial difficulties were compounded by the severe drought of 1982-83. The Eighth Finance Commission did not take into account the heavy commitment that the State has subsequently had to bear on the pay revision of its employees and teachers, since such revision was not done before April, 1982. There was also excess expenditure on the plan. All this led to large deficits and overdraft with the Reserve Bank of India. The Government of India came to the help of the State through advance plan assistance for drought relief measures, enhanced Central assistance for the annual plans without adjusting the advance assistance and adhoc loans upto agreed limits for clearing the overdrafts. Despite all this the sixth plan period ended with a deficit.

8. This year, in working out the overdraft clearance scheme, at the special request of the State Government, the Government of India adopted a formula for all States under which our State was given a loan against the peak level of overdraft in January 1985. Thus, the State got a loan of Rs. 241 crores, against the previous year-end overdraft of Rs. 175 crores only. Along with the increased receipts from the Central and State taxes, timely release of funds for flood relief measures and the economy measures adopted by the State Government, this helped the Government to avoid overdrafts during the last six months.

9. As a corollary of the imbalance between programmes and resources and the financial constraints, there has been a problem of pending bills to co-operative and other institutions and for buildings and road works. During this month and in the first few months of the next financial year, all these pending bills will be cleared.

10. For a number of years now, the State's per capita plan outlay has been below the all India average. This is despite the relatively higher percentage of Central assistance, which in the Seventh Plan period will be 54% the highest for any State other than the "Special Category States". Because of the heavy commitments of earlier years, the Seventh Plan, as it now stands, is largely a spill-over plan. My Government is conscious of the need to step-up the plan effort in productive sectors by taking new initiatives. Early in the coming financial year, new initiatives will be taken to further improve the financial and economic management of the State and to find more resources for investment in agriculture, fisheries, power and industry. Unless this is done, our State will lag behind others on the path of development. My Government is determined not to allow this to happen but to make optimum use of the social and physical infrastructure that has already been built in the State and put it on a path of speedy development.

11. The State's economy was badly affected during the year by the fall in the price of coconut. In order to mitigate the hardship of coconut growers, the State Government initiated steps, in November last for procurement of copra through the State Co-operative Marketing Federation. In continuation of the State Government's efforts, the NAFED was persuaded to implement a market intervention programme from the middle of January 1986. The gravity of the situation was also brought to the notice of Government of India and it has been assured by them that import of coconut oil and copra will not be resorted to in the near future. All these measures have started having a positive impact on the price of coconut. Coconut Oil, which was an integral part of Kerala diet, had gone out of reach of the common people. In recent months, the State Government is distributing coconut oil at a subsidised rate of Rs. 15 per kilogram, through the Maveli Stores.

12. The public distribution system was able to distribute larger quantities of rice due to increased monthly allocations. The Civil Supplies Corporation also supplied larger quantities of rice, purchased from other States. These measures helped to keep the prices under check.

13. Special attention will be given to agricultural production by better use of our water potential. Many of the old irrigation projects will be completed during the coming year. Considerable progress has been achieved in the case of the World Bank-aided Kallada Project. It would be possible to release water from the Kallada Project for irrigation early in the next financial year. The hurdles in the way of implementation of Command Area Development Programme have been overcome during the current year. With the establishment of the Kerala Command Area Development Authority, programmes for effective utilisation of the irrigation potential of our projects will be implemented with speed, giving a boost to diversification and increase in production.

14. Through the implementation of the Livestock breeding programmes and operation flood schemes, milk production in the State has increased considerably and it has contributed greatly to generate more employment opportunities and additional income to the rural poor. In 1986-87, it is proposed to give high priority for upgrading the genetic potential of cattle and animal health support programmes.

15. During the Sixth Five Year Plan period, the State made significant progress in the implementation of poverty alleviation and employment programmes. Under the IRDP, the total number of families covered was five lakhs as against the target of four lakh families. Of these, Scheduled Castes and Scheduled Tribes constituted 31%. During the year 1985-86, the construction of 13,690 group houses for Scheduled Castes and Scheduled Tribes families has been taken up. A State-wide family survey was undertaken to identify the families which are below the poverty line. Steps are being taken to formulate economically viable and financially feasible schemes for the upliftment of these families. The TRYSEM programme is being streamlined by introducing more modern trades. A State Institute of Rural Development is being set up at Kottarakkara to impart training and to conduct orientation courses for all rural development personnel.

16. The new strategy adopted by Government in concentrating its efforts on improvement of efficiency and productivity of traditional fisheries had paid off rich dividends. The introduction of intermediate technology by distributing out-board engines fitted to the country crafts and the use of improved gear has resulted in a sharp increase of income to the traditional fishermen. Simultaneously, the stress on extension activities, spread of education, provision of housing and other amenities to the traditional fishermen have started making impact on their quality of life. With a view to providing a package of welfare measures to the poor fishermen, Government have instituted a Fishermen Welfare Fund. The first and second phases of subsidised housing programme involving construction of 20,000 houses, are almost complete. The third phase of the scheme to build another 10,000 houses has been taken on hand with assistance from HUDCO.

17. During the year, under the World Bank aided Social Forestry Scheme, the programme is to distribute 510 lakhs seedlings of fast-growing trees to the farmers. I am glad to be able to say that the need for Social Forestry and planting of trees and for greening the State everywhere, is being recognised by all sections of the people. My Government will give maximum encouragement to this as a people's programme. To ensure proper Wild Life conservation and specialised management in the field, a separate Wild Life Preservation Wing was formed in the State in the year 1985.

18. The Co-operatives in the State are in the forefront compared to other States and in respect of agricultural credit continue to show steady progress in the field of dispensation, collection, coverage of families and disbursement to weaker sections. Action is under way for registering a new District Co-operative Bank for Kasargod District and for formulating a scheme for Integrated Development of Primary Agricultural Credit Societies in selected districts.

19. The decentralised implementation of the programmes for Scheduled Castes has made it possible to ensure that the benefits reach the intended people. Significant improvements have been brought about in Harijan habitats. All such habitats with more than twenty families are being provided with at least one source of potable water, with full Central assistance. Training is being given to the Scheduled Caste youth in new fields relevant to the present day. The Priyadarshini Institute of Para Medical Sciences which impart training to Scheduled Caste candidates in para medical sciences is one such innovative scheme.

20. In pursuance of the recommendations of the Babu Vijayanath Commission, the Department of Scheduled Tribes' Development will be re-organised and realigned at field level making the jurisdiction of Project Officers and Tribal Development Officers co-terminus with the Revenue Districts. With this, the programmes for Scheduled Tribes will also be decentralised to the district and project levels, so that there is better co-ordination and implementation.

21. The target of 30,000 houses, for the economically weaker sections under the Twenty-Point Programme will be far exceeded this year and will be more than a lakh of houses as a result of the special emphasis given and the additional funds committed in the context of rehabilitation of the victims of floods. The first integrated shelter project under the International Year for Shelter of Homeless, 1987, which was inaugurated by the President of India will be completed before the end of this year. My Government proposes to assist the construction of at least 75,000 houses a year for the economically weaker section during the remaining four years of the Seventh Plan.

22. My Government is committed to the public sector as an instrument of economic growth with justice. At the same time, it is deeply conscious of the fact that many of the State Public Sector units have been, losing considerably for a number of years and that their deficits have had to be met from the general exchequer, thereby depressing the development effort of the State. Last year, I had said that the public sector would be reorganised. Initial steps in this regard led to resistance from several groups. The reorganisation and revitalisation of the public sector call for hard and pragmatic decisions—decisions regarding the management and regarding the efficient utilisation of financial, material and human resources with a view to increasing productivity. Our public sector units cannot be frozen in time. The hard decisions cannot be postponed further, without casting a heavy burden on the general tax-payer and without adversely affecting the development effort of the State. My Government seeks the understanding and co-operation of all sections of the people in taking these decisions.

23. My Government will continue to attach utmost importance to the establishment of modern Industries. The Kerala State Industrial Development Corporation will complete this year eleven projects involving an aggregate capital investment of Rs. 16 crores. As many as 38 other projects involving a total capital outlay of Rs. 114 crores are in advanced stages of implementation.

24. In line with National Policy, my Government attaches great importance to the development of electronics industry in the State which has great potential for employment generation. The Kerala State Electronics Development Corporation has promoted a new company by name 'Keltron Telephone Instruments Ltd.', for the manufacture of telephone instruments. Proposals are being finalised for the manufacture of Medical Electronics Equipments and Non-conventional Energy Systems.

25. Kerala State Industrial Development Corporation and Kerala State Electronics Development Corporation give utmost priority to projects involving non-resident Indians. Since 1982, K.S.I.D.C. has signed memoranda of understanding with 30 non-resident Indians. Moreover the State Government is extending active co-operation and assistance to Government of India in the implementation of Cochin Export Processing Zone. Sustained efforts are being made by the Kerala State Export Trade Development Council for promoting exports from the State.

26. The Government will give all encouragement to the establishment and successful functioning of small industries. It will be ensured that the various concessions sanctioned by the Government are made available to the units in time. The target for the registration of units for 1986-87 is 3,600 units. 300 entrepreneurs will be given Entrepreneurial development training to help them to start small scale units. My Government has requested the Government of India to declare Kasaragod District also as a 'No Industry District'. Government has created Escort Service Groups at the district level with the District Collector as Chairman and at State level with Chief Secretary as Chairman to simplify procedures and to co-ordinate the clearances for industrial units.

27. As a result of persistent efforts of the State Government, the Central Government has recently agreed to the introduction of a levy system in regard to husk. This will improve the availability of husk to the coir industry. With the assistance of National Co-operative Development Corporation, processing units will be established which make use of modern technology. A 'Coir Development Fund' is proposed to be set up which will be used to undertake research and development activities and other welfare schemes for coir workers.

28. A comprehensive survey of handlooms in the State has been undertaken utilising the services of professional agencies. Bogus looms will be eliminated. A handloom training centre at Cannanore, pre-loom processing centres for HANDWEEV and HANTEX and a thrift-fund scheme for handloom workers will be implemented in the coming year with assistance from the Government of India.

29. Government's policy of support price for raw nuts and of bringing closed factories under the Co-operative sector has helped to increase the income of cashew farmers, considerably stopped the movements of nuts outside the State and has also increased the number of working days of factories.

30. As the back-log of giving power connections was increasing the Government ordered a special drive from 1st November, 1985 for giving as many connections as possible. Altogether nearly 1,70,000 connections have been given this year against an original target of 35,000. Keeping in view the urgent need to increase the installed capacity in the State, necessary agreements have been executed with the World Bank or the Kerala Power Project including the Lower Periyar Project and the works for strengthening the transmission and distribution systems in the three major cities of Trivandrum, Cochin and Calicut.

31. During the year 1985-86, the first phase of re-organisation of the Public Works Department was completed. The Buildings and Roads Wing of the Public Works Department was re-organised into two branches—the Roads and Bridges Branch and the Buildings and Local Works Branch, each under a separate Chief Engineer. A large number of roads and bridges were badly damaged by the floods of the year. A major programme of repairs was taken on hand and implemented. For development of a systematic network of roads in the State to meet the communication needs especially in the rural areas, a master Plan of road development is being drawn up.

32. My Government attaches considerable importance to the improvement of the quality of education and the spread of vocationalisation in secondary schools. After strengthening the facilities in the 71 Vocational Higher Secondary Schools, new Vocational Higher Secondary Schools will be started. As part of the quality improvement programme, the State Government has initiated curriculum revision and text book revision two years ago. The socially useful productive work programme, which has the objective of "earn while you learn", will be extended to all the high schools in our State. Government has introduced during this year a Noon Meal Programme in the Lower Primary Schools in eight districts, replacing the CARE Feeding Programme. This will be progressively extended to more children in the next few years.

33. Maximum encouragement will be given to the promotion of technical education, Science and Technology. The legislative frame work for converting the Cochin University into a University of Science and Technology has been brought into effect. Government will step up sharply the training and other courses for computer technology and application, so that the State could meet ten per cent of the national requirement of manpower in this field. The first Integrated Rural Energy Programme through the introduction of new energy sources and technology has been taken up for execution. The Rural Energy Programme will be gradually extended to other blocks.

34. The State has made considerable progress in bringing about a reduction in birth and death rates—these rates are among the lowest in the country. The World Bank-aided India population project III, which was taken up from 1985 has recorded good progress. The universal immunisation programme to immunise all children below one year against preventable diseases has been started in the district of Palghat and Idukki from 1985. It will be extended to four other districts in the coming year. Twelve more ICDS Blocks will be opened in the coming year. My Government propose to give high priority for improving the rural health delivery system during 1986-87. Considerable progress has been achieved in this sector and the State has now 300 Primary Health Centres. 144 Primary Health Centres and 600 Sub Centres will be established during this year. Family Welfare Programmes will be intensified enlisting maximum co-operation from voluntary agencies. The health and medical institutions already established will be put to optimal use by strengthening the facilities so as to achieve the objective of "Health for all by 2000 A.D". The indigenous systems of medicine and Homoeopathy will continue to receive encouragement.

35. Government is committed to the provision of safe drinking water supply to all the people in the State by the end of the Seventh Five Year Plan. During the current financial year, much headway has been made towards fulfilling this commitment. Out of 1164 problem villages, 1148 problem villages have already been partially covered with water supply and the remaining 16 villages will also be partially covered this year. A major water supply scheme to Sabarimala, costing to Rs. 112.00 lakhs, has been commissioned. Another major event has been the conclusion of the agreement for World Bank-Aided Water Supply and Sanitation Project, at an estimated cost of Rs. 97.11 crores benefitting more than a million people.

36. Government have drawn up various schemes to give a boost to the development of tourism in the State. Construction of a Yatri Niwas at Quilon, Yatrika at Kaladi, a Forest Lodge at Thekkady and Youth Hostels at Ernakulam and Calicut are proposed. A proposal to assist private sector in setting up motels is under consideration.

37. Government has initiated special steps to provide encouragement to promising youth athletes through special coaching programme to improve their performance, and also by way of providing job opportunities. Government proposes to bring legislation to give statutory status for the Kerala Sports Council so that the Council will have authority to implement sports promotion programmes and also exercise necessary powers of settling disputes among sports organisations.

38. The Kerala Headload Workers' Welfare Scheme was implemented in Chalai (Trivandrum) Eranakulam and Trichur. Action is under way to implement the scheme in all municipalities and major panchayats. Government also proposes to constitute a welfare fund for construction workers, the employees

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in private hospitals, shops and commercial establishments, and cinema theatres and introduce Group Insurance Scheme to Toddy Workers, Coir Workers and Headload Workers. Government have constituted an Experts' Committee to identify the hazards in chemical industries and to suggest safety measures in other hazardous industries.

39. The self-employment scheme for educated unemployed introduced by the Central Government and the similar schemes for others introduced by the State Government would be co-ordinated and liberalised so as to provide larger benefits to the educated youth.

40. The State Government also propose to introduce a risk insurance-cum-provident fund scheme for the agricultural workers in the unorganised sector. The details of the scheme will be announced shortly.

41. For some time now, it has been represented to the Government that some of the erstwhile land owners are now living in conditions of poverty and destitution. A Member of the Board of Revenue has been asked to study this problem. Suitable ameliorative measures will be undertaken by the Government on receipt of the report of the Board Member.

42. Revenue Administration in the State has been geared up to a more expeditious system of disposal of public grievances and delivery of services by simplifying and standardising procedures. Many innovative procedures are being introduced in the districts. Government will continue to encourage all such efforts. The Board of Revenue is experimenting with a pilot programme of Pattayam Pass Book in four villages as a prelude to the introduction of the scheme in the entire State.

43. Studies to identify obsolete and irrelevant rules and procedures, which come in the way of quick decisions or cause harassment to the general public have been undertaken in a number of departments. The changes in the rules and procedures will be effected during the course of the year. As stated by me in my last address, the decisions regarding the establishment of an Administrative Tribunal have been taken. An Administrative Tribunal, with benches at Trivandrum, Cochin and Kozhikode, is expected to start functioning within the next four months. This will go a long way in assisting employees of the State Government to get speedy justice in service matters. As referred to by me earlier, despite constraints, my Government has sanctioned this year revision of pay scales and allowances to all its employees and teachers, involving substantial financial commitment.

44. My Government have taken effective measures to carry out the constitutional mandate of legal aid to the weaker sections of society. Legal aid is being extended through public counsels appointed by Government in each and every taluk of the State. Kerala State Legal Aid and Advice Board organised legal and camps effectively supplement the Government's efforts in the field.

45. The Law and Order situation has been satisfactory throughout the year. The labour situation has been peaceful and the number of mandays lost is one of the lowest for many years. In the school and college campuses also, by and large peaceful conditions prevailed throughout the year. The Government proposes to reorganise Police Sub Divisions and Circle and to modernise the police forces utilising both Central assistance and State's own resources.

46. In order to deal speedily and impartially with allegations of corruption against public men, my Government took the initiative to bring forward legislation and the Kerala Public Men (Prevention of Corruption) Act, passed by you, was brought into effect early in 1984. During the last two years, very few cases have been filed before the Commission, even though a number of allegations have been made elsewhere against some public men. It is the duty of those who make the allegations to take the responsibility to prove them before the Commission. It has been claimed that some of the provisions of the Act come in the way of taking recourse to the Commission. The State Government has discussed the issues arising out of the first Annual Report of the Commission, with the leaders of the Political parties. Necessary amendments to the law will be brought forth shortly.

47. Honourable Members I have given an objective account of the achievements of the Government, the problems facing us and the new initiatives proposed to be taken by my Government. You have a great role to play in these efforts, I wish your endeavours all success.

JAI HIND