

Speech of Thiru M. Karunanidhi, Chief Minister, Government of Tamilnadu, presenting the Interim Budget for 2001-2002 to the Legislative Assembly on 29th January 2001

Honourable Speaker Sir,

I am proud to present the Revised Estimates for the year 2000-2001 and the Interim Budget for the year 2001-2002 before this august House at a time when we have just completed the celebrations of the golden jubilee year of the Indian Republic. The Vote on Account for the expenditure in the first six months of the next financial year will be obtained through this budget. The main budget will be presented in the newly elected Legislative Assembly.

2. அருவினை யென்ப உளவோ கருவியாற்
கால மறிந்து செயின்
What is hard from him who acts
with proper means and time and tacts?

This Government having deeply imbibed this teaching of Ayyan Tiruvalluvar has served the people of Tamilnadu and the cause of the Tamil language with humility and conviction, following the principle of secularism promoting communal harmony and the brotherhood of man. We have always respected those with differing views and accepted their reasonable suggestions, without in any way deviating from the social perspective of Thanthai Periyar and the principles of duty, dignity and discipline advocated by Perarignar Anna.

3. As the people of the country were joyfully celebrating the Republic Day, a terrible tragedy occurred – an earthquake rocked various parts of India, particularly the State of Gujarat, causing enormous damage to life and property. In addition to conveying the heartfelt sympathies and condolences of the people of Tamilnadu, I would like to inform that this Government has sanctioned Rs.5 crores

for relief work in the earthquake affected areas of Gujarat. This Government has come forward to provide all possible assistance including medical assistance and material assistance to the affected people. Further, I request all those who wish to contribute funds for relief through the Tamilnadu Government, to send their contribution in the form of cheque or draft drawn in favour of "The Gujarat Earthquake Relief Fund" to the Secretary to Government, Public Department, Secretariat, Chennai.

ECONOMIC DEVELOPMENT

4. This Government's policy of "Economic Development with a Human Face" has been responsible for the State attaining a sound economic position in the last five years. In the period between 1996-97 and 1998-99, the Gross State Domestic Product at constant prices registered an average annual growth of 6.05 percent. Due to the various steps taken by this Government, the growth rate has increased to 7.04 percent in 1999-2000. I am happy to state that Tamilnadu is one among the three most economically developed States in India.

5. The per capita income of this State has gone up from Rs.11894 in 1995-96 to Rs.18786 in 1999-2000.

CENTRE STATE FINANCIAL RELATIONS

6. Tamilnadu has suffered a huge financial loss on account of the recommendations of the Eleventh Finance Commission. The Tamilnadu Government had urged that the States' share of the gross tax revenues of the Centre be fixed at 40%. As against this, the Eleventh Finance Commission recommended the devolution of only 29.5% of the net tax revenues. Moreover, since the Eleventh Finance Commission has given greater weightage to the backward states while fixing norms for sharing these revenues, well-performing states like

Tamilnadu have been adversely affected. As a result, the revenue loss that Tamilnadu will suffer in the five years from the year 2000 is estimated to be Rs.4711 crores. The states affected by the recommendations of the Finance Commission had submitted a memorandum to the Prime Minister on 21-8-2000 requesting that this unacceptable and inequitable situation be rectified. We had also urged that an Incentive Fund for extending grants to well-performing states may be created. In its supplementary report, the Eleventh Finance Commission has recommended a total incentive grant of Rs.5304 crores for all the states for the next five years. The fact that our total share of this grant for five years would only be Rs.402 crores amounts to severely punishing well-performing States like Tamilnadu.

LOCAL BODIES

7. I am happy to announce that the funds released to the local bodies by way of various grants from the State Government, share in tax revenues and allocation for schemes has increased from Rs.787 crores in 1995-96 to Rs.1997 crores in the last year. This has further increased to Rs.2401 crores in the current financial year.

8. Besides this, arrangements have been made for the local bodies to obtain resources to the tune of Rs.110 crores from the Rural Infrastructure Development Fund (RIDF) for upgrading basic amenities in rural areas and Rs.341.80 crores through the Tamilnadu Urban Development Project-II (TNUDP-II) for urban infrastructure development. This Government has enacted comprehensive legislation to enable urban local bodies to mobilise funds from the market and financial institutions and to enable private sector participation in urban civic services.

URBAN DEVELOPMENT

9. A major scheme for renewing 732 km of roads in the Chennai Corporation has been taken up in the current financial year at a total cost of Rs.55 crores. Roads for a total length of 2,822 km are being taken up for improvement at a cost of Rs.200 crores in the other corporations, municipalities and town panchayats. **In order to widen and improve the radial roads around Madurai city, a scheme will be implemented with HUDCO assistance at an estimated cost of Rs.112 crores.**

10. To prevent sea-erosion in the Ennore area and to improve the road linking the Chennai and Ennore ports to National Highways, a scheme will be jointly implemented by the Government of Tamilnadu, Chennai Port Trust and the National Highways Authority of India at a cost of Rs.150 crores in the next financial year.

11. It was announced in the Governor's address that a scheme costing about Rs.1700 crores to clean the rivers Cauvery, Vaigai and Tamaraparani and to protect the environment would be taken up with assistance from Central and State Governments and the local bodies. I am pleased to inform you that the Union Cabinet has given its approval for the scheme.

12. A scheme to improve the Thirumanimuthar in Salem town and to form a bypass road has been approved by this Government and this work is under implementation. Sufficient funds will be provided for this scheme.

13. In the last four years, drinking water schemes have been implemented in 140 towns. In the current financial year, such schemes will be completed in 62 more towns. Drinking water schemes are under implementation in 248 towns at a cost of Rs.772 crores.

RURAL DEVELOPMENT AND EMPLOYMENT

14. Schemes such as the Namakku Naame Thittam, Anna Marumalarchi Thittam, Periyar Ninaivu Samathuvapuram Thittam, Uzhavar Sandhai, Varumun Kappom Thittam, Livestock Protection Scheme, Rural Roads Improvement Scheme, Scheme for conversion of village streets to cement-concrete roads, Computer education scheme for students, MLA Constituency Development Scheme etc. have received an overwhelming response from the public. These schemes will continue to be implemented vigorously.

15. In these four and a half years, buildings for 7038 primary schools, 1323 high and higher secondary schools, 8258 fair price shops, 327 milk cooperative societies, 1592 noon meal centres, 613 primary health centres, 400 health sub-centres and 812 panchayat offices have been constructed.

16. This Government has undertaken construction of 2,91,551 concrete houses for rural poor at a cost of Rs 843 crores in the last four and a half years and 2,60,654 houses have been completed.

17. Since this Government assumed office, 27,274 rural habitations have so far been provided with drinking water at 40 litres per capita per day. **In the coming financial year, the remaining 4,202 habitations will also be provided with drinking water at 40 litres per capita per day.**

18. The recommendations of the consultant regarding the Avinasi-Athikkadavu drinking water scheme have been received. An Expert Committee has been set up to examine these recommendations and pursue action. The report of the Committee will be received shortly, based on which, funds will be provided and further action taken.

PUBLIC DISTRIBUTION SYSTEM

19. During the current year, an allocation of Rs.1700 crores has been made towards Government subsidy for the distribution of essential commodities through the public distribution system. This provision will be increased to Rs 1870 crores in the next financial year.

20. In the last four and a half years, 5291 fair price shops comprising 2816 full time and 2475 part time fair price shops have been additionally opened.

21. Honourable Members are aware that this Government has issued orders fixing the sale price of kerosene at 60 paise per litre below the price fixed by the Central Government with effect from 1.1.2001.

AGRICULTURE

22. As announced in the last budget, the penal interest on agricultural loans to the tune of Rs.13.2 crores has been waived, benefiting 3,40,727 farmers. **On the same basis, penal interest of 3 percent will be waived for agricultural loans which were overdue as on 30.6.2000 for all those farmers who repay their loan with interest on or before 30.6.2001.**

23. Last year, Government granted an interest incentive of Rs.21.63 crores to 2,47,023 farmers who have repaid their loans in time. **As was done last year, farmers who repay their loans without any overdues will be given an interest incentive of 7 percent in the current year also. This concession will also apply to those who have already cleared their loan dues in the current year. More than 6 lakh farmers will benefit by this scheme.**

24. A penal interest of 3 percent is now being charged from those farmers who do not repay the crop loans taken from co-operative banks in time. Farmers have been demanding that this interest should be reduced. **Accepting this demand, I am glad to inform you that co-operative banks have come forward to reduce the penal interest on overdue loans from 3 percent to 1 percent from 1.7.2000. The penal interest on co-operative crop loans will only be 1 percent in future.**

25. Accepting the demand of the agriculturists in the Parambikulam-Aliyar Irrigation Project area, the turn system for release of water for irrigation has been brought into effect.

26. The track rent which had been levied on pipelines laid by farmers in Government lands for drawing irrigation water has been withdrawn.

27. In order to overcome the difficulties of the Lower Bhavani Irrigation Project ayacutdars, the system of crop based water cess has been replaced and a flat rate of water cess based on acreage has been introduced. The collection of arrears of penal water cess payable by them has also been waived.

28. Besides this, a High Level Committee under the Chairmanship of the Agriculture Secretary was set up last year to examine the practical difficulties and suggest ways to simplify the procedure for marketing agricultural produce through the Regulated Market Committees. This Committee has submitted its report on 8.1.2001 and the following decisions have been taken based on its recommendations:-

- **Steps will be taken to ensure that farmers who bring their agricultural produce to the Regulated Market Committees are paid the full amount due to them on the same day.**

- **No market cess will be collected from farmers transporting their own agricultural produce for sale.**
- **During the harvest season, temporary marketing centres will be set up in important places. Arrangements will be made to set up cold storages wherever necessary and to establish marketing centres and godowns separately for crops such as onion, banana and tomato in the areas where they are produced.**
- **Depending on the arrivals of agricultural produce at regulated market centres, building complexes with facilities such as shops, godowns, drying yards, grading centres, exchange halls and rest houses will be set up over 20 to 200 acres of land.**
- **If the notified agricultural produce brought within a notified area is sent or sold outside the State, in a processed or unprocessed form or returned to the producer within 60 days, then no market cess needs to be paid. Steps will be taken to amend the Act for this purpose.**

IRRIGATION

29. Since this Government assumed office, adequate funds have been provided to activate nine reservoir schemes, the implementation of which were held up for want of resources. Four of these schemes, namely, Moradana, Nambiyar, Poigaiyar and Raja Thoppukanaru have since been completed. The Sothuparai reservoir scheme will also be completed by the end of the current year. The remaining schemes namely, Adavinayinar, Kodumudiyar and North Pachaiyar reservoirs and the Kirudumal Anicut will be completed in the next financial year. The Sadayaneri channel scheme in Toothukudi district will be completed in the current year.

30. The scheme undertaken by this Government since 1997 to desilt rivers, canals, lakes and drains will continue to be implemented keeping in view the tremendous response received from the farmers. **The World Bank has now given its approval for the modernisation of 620 tanks in the Palar, Tamaraparani and Vaigai river-basins will be modernised at a cost of Rs.106.26 crores.**

ROADS AND BRIDGES

31. Under the scheme of this Government to link villages to main roads, 480 villages with population above 500, not having any link roads, were provided with road facilities at a cost of Rs.214 crores in the last two years. **In the next financial year, link roads will be provided to 160 more villages at an estimated cost of Rs 70 crores.**

32. In order to improve road facilities, this Government is implementing schemes by raising loans from financial institutions in addition to deploying its own resources. Since 1996-97, roads for a total length of 21,624 km have been taken up for improvement at a cost of Rs.1650 crores, out of which 14,696 km have been completed. Construction work of 601 bridges have been undertaken at a cost of Rs.1185 crores. So far, 325 bridges have been completed.

33. **In order to link Namakkal and Karur districts, a high level bridge will be constructed across the river Cauvery between Mohanur and Vangal. Another high level bridge across the same river connecting Lakhapuram Parisalthurai in Modakurichi Panchayat Union with Kokkarayanpettai in Thiruchengode will be constructed which will link Erode and Namakkal districts.**

34. **Necessary funds will be provided and work will be commenced for repairing the 18 km long road between Kadamalaikundu and Koraiyuthu in Theni district, which will benefit 14 villages. This will be executed through the Highways department at an estimated cost of Rs.2 crores.**

35. This Government has proposed to sign an agreement with the Malaysian Government shortly to seek their assistance in exploring the possibilities of upgrading the Kolachal port in Kanyakumari district as a major port of international standard and to initiate action on that basis.

TRANSPORT

36. Since 1996, the State Transport Corporations have purchased 9923 new buses. During this period, 1474 new bus routes have been introduced.

37. The bus fares in Tamilnadu are lower than those prevailing in other states in India.

38. In order to provide transport facilities to the villages, the Mini-bus Scheme has been introduced in 1997-98. Currently, 3030 mini-buses are in operation. **This number will increase further.**

ELECTRICITY

39. New power projects with an installed capacity of 547 MW will be commissioned within the next six months. As a result, Tamilnadu will attain self sufficiency in power and power cuts will be avoided. **This will ensure uninterrupted power supply for agriculture for 6 hours during the day and 8 hours during the night.**

40. A new scheme "Power connection in a day" has been introduced for the benefit of consumers in Tamilnadu with effect from 1.4.2000. Two and a half lakh power connections have been given so far.

INDUSTRIAL DEVELOPMENT

41. Encouraged by the overwhelming response received by the software park (TIDEL park) established at Taramani at a cost of Rs.338 crores built to international standards over an area of 12 lakh sq.ft., steps are being taken to set up a second software park with a built up area of 20 lakh sq.ft.

42. A hi-tech industrial park of international standard will be set up by TIDCO at Nanguneri in association with American entrepreneurs. The foundation for this scheme will be laid in a few days time. In order to encourage exports from this region, the Commerce Ministry of the Central Government has declared this area as a Special Economic Zone.

43. The Trade Centre established at Nandambakkam in Chennai jointly by the India Trade Promotion Organisation and TIDCO is to be inaugurated day after tomorrow. The India International Leather Trade Fair 2001 will be the first exhibition to be held here.

44. Keeping in view the growth of industry and commerce in Tamilnadu, we have been urging the Central Government to establish a new International Airport at Chennai. It is expected that the Central Government will approve this proposal soon.

INFORMATION TECHNOLOGY

45. Tamilnadu is in the forefront in the field of Information Technology. The Old Mamallapuram Road between Taramani in Chennai and Thiruporur in Kancheepuram district is fast developing as an Information Technology Highway. Steps have been taken to provide infrastructure facilities such as electricity, roads, transport and water supply to the companies in this area.

BIOTECHNOLOGY

46. In order to implement the Biotechnology policy announced by this Government, the State Biotechnology Board has been set up under the chairmanship of Dr. M.S. Swaminathan. Further, a new fund called the “Emerging Technologies Fund” has been created to extend financial assistance to biotechnology industries in the State.

EDUCATION

47. The total allocation for education has increased from Rs.4949 crores in the current financial year to Rs.5472 crores in the next financial year.

48. This Government has opened 1039 primary schools in these four and half years. It has upgraded 512 primary schools into middle schools, 380 middle schools into high schools and 283 high schools into higher secondary schools. Laboratory buildings have been constructed in 662 schools at a cost of Rs.39.1 crores. Laboratory equipments have been supplied to 1544 schools at a cost of Rs.7 crores.

49. To provide opportunities for students who wish to join agricultural colleges, agriculture has been introduced as one of the subjects in 100 schools. Appropriate action will be taken to implement the scheme effectively.

50. Dr. MGR Nutritious Meal Scheme continues to be implemented for the benefit of school children. A sum of Rs.580 crores has been provided for nutrition schemes in the next financial year.

YOUTH WELFARE

51. Pursuant to the announcement in last year's Budget that sports centres would be set up in rural and urban areas to provide facilities for sports, physical training and recreation for the younger generation, 7000 such centres have been set up. **This scheme will be extended to all areas.**

52. The committee constituted under the chairmanship of Thiru Venkitaramanan, Member, State Planning Commission, to explore the possibility of setting up a financial institution for self-employment of youth has submitted its report. **Accepting its recommendations, the Government has decided to set up a "Tamilnadu Centre for Self-Employment Promotion" in order to co-ordinate the self-employment schemes run by various departments and financial institutions in the State and implement them effectively.**

TAMIL LANGUAGE AND CULTURE

53. Hon'ble Members are aware that the Tamil Sangapalagai Kural Peedam has been established and the first Kural Peedam Award has been given to the noted Tamil scholar Prof. A.S. Gnanasambandam. Translations of 16 books and short stories in five languages - English, Hindi, Telugu, Kannada and Malayalam - have been published through this Sangapalagai.

54. The books of the linguist-poet Ka. Appadurai have been nationalised, and a royalty of Rs.10 lakhs has been paid to his family.

55. An old edition of the "Tirukkural Madhura Keerthanai" written by Mayiladathurai Viswanatha Shastri was given to me by the eminent musician Semmangudi with a request that the Government should take steps to publish it afresh.

Accepting this request, the first volume of the book was published by this Government last month. The request to publish the other two volumes of “Tirukkural Madhura Keerthanai” and to grant Rs.5 lakhs to popularise Shastriyar’s musical works among the public has also been accepted by the Government.

56. This Government considers that honouring and keeping alive the memories of Tamil scholars, patriots and martyrs has been one of its most satisfying duties. Accordingly, since 1996, this Government has erected the towering statue of Ayyan Tiruvalluvar and constructed memorials such as Annal Ambedkar Manimandapam, Thyagigal Manimandapam, Jeeva Manimandapam, Thyagi Viswanatha Dass Memorial House, Maaviran Pulithevan Memorial, Pattukottai Kalyanasundaram Memorial, Perunthalivar Kamarajar Manimandapam, Periyavur Bhakthavatsalam Manimandapam, Udumalai Narayana Kavi Manimandapam, Marudu Pandiyar Memorial, Mozhipor Thyagigal Manimandapam, Thyagasheelar Kakkan Manimandapam and Thavathiru Kundrakudi Adigalar Ninaivu Mandapam and established Theeran Sundaralingam Nagar. **Further, I am happy to announce that a Manimandapam for the revered and respected Quaid-e-Millath at Chennai and Veeran Azhagamuthukone Manimandapam at Kattarankulam in Toothukudi district will be constructed.**

57. It has been decided to compile and publish the ancient history of Tamilnadu in eight volumes. Five volumes have already been published. One volume is in print and two more volumes are to be published.

HEALTH AND FAMILY WELFARE

58. The allocation for Health and Family Welfare department which was Rs.689 crores in the year 1995-96 has been increased in a phased manner to Rs.1311 crores in the next financial year.

59. As a result of the vigorous steps taken by this Government to completely eradicate Polio from this State, the Pulse Polio Programme has been successfully implemented, so as to ensure that the disease does not rear its ugly head again.

60. In order to protect the physical well being of school going children, the Vazhvoli Thittam is being implemented in all Government and aided schools. Under this scheme, physical examination of 60 lakh children has been carried out so far, of whom 34 lakh children have been given necessary treatment. Spectacles have also been provided free of cost to students with defective vision.

VAZHNDHU KAATTUVOM

61. I am happy to announce that the 58,391 self help groups formed under the Mahalir Thittam, started by this Government in 1989-90 with the objective of socio-economic empowerment of women through self employment and training, have not only saved more than Rs.64 crores so far, but have also received loan assistance of Rs.131.12 crores from the banks.

62. In Vellore and Tiruvannamalai districts, a scheme of providing loan assistance for purchase of gas stove and cylinder is being implemented through the co-operative banks. **Considering the extremely good response, co-operative banks in other districts have also been requested to implement this scheme.**

ADI-DRAVIDAR AND TRIBAL WELFARE

63. The allotment of Rs.194 crores for Adi-dravidar and Tribal Welfare in the year 1995-96 has been increased to Rs.626 crores in the current financial year.

64. Since 1996-97, 85 Adi-draavidar Welfare High/Higher Secondary schools have been provided with computers. Job oriented training in computer and typewriting skills, plastic and fashion technology is being given to the Adi-draavidar youth.

65. In order to encourage the education of girls, an incentive of Rs.500 per student per annum is being given to 60,000 Adi-draavidar/Scheduled Tribe girl students continuing their studies from 3rd to 5th standard and an incentive of Rs.1000 per annum is being given to 30,000 Adi-draavidar/Scheduled Tribe girl students studying in 6th standard. A sum of Rs.6 crores will be incurred under this scheme in the current financial year.

66. In the past four and a half years under the scheme of free distribution of house-site pattas for Adi-draavidars/Scheduled Tribes, 3.07 lakh house-site pattas have been distributed at a cost of Rs.65.73 crores.

67. As announced in the Budget last year, a separate Directorate for the welfare of Scheduled Tribes has been formed and is now functioning.

BACKWARD CLASSES, MOST BACKWARD CLASSES AND MINORITIES WELFARE

68. The allocation of Rs.47 crores made for the welfare of Backward Classes, Most Backward Classes and Denotified Communities in the year 1995-96 has been increased to Rs.175 crores in the current financial year.

69. First generation students belonging to the Backward Classes, Most Backward Classes and Denotified Communities are being given free education in diploma courses in polytechnics from the year 1998.

70. Steps have been taken to construct 21 hostel buildings for students belonging to the Backward Classes, Most Backward Classes and Denotified Communities at a cost of Rs.8.27 crores to be shared equally between the Central and State Governments.

71. From the year 1999-2000, assistance of Rs.6 crores is being given to girl students belonging to the Most Backward Classes and Denotified Communities at the rate of Rs.500 per annum to 60,000 girls studying from 3rd to 5th standards and at the rate of Rs.1000 per annum to 30,000 girls studying in 6th standard.

72. The Urdu Academy constituted recently by this Government with 21 members and the Hon'ble Education Minister as Chairman and Dr. Syed Safiullah as Deputy Chairman, has commenced functioning. It has held three meetings so far and drawn up a future plan of action which includes the conduct of Kavi Sammelans and seminars.

73. This Government, which is committed to promoting communal harmony has decided to institute an award in the name of Coimbatore Kottai Amir who worked for religious harmony and lost his life at the hands of religious fundamentalists. The award was presented for the first time on the occasion of the Republic Day this year to Thanjai Sultan. **As requested by the Honourable Leader of Opposition, it has been decided to sanction a monthly pension to the widow of Kottai Amir, provide government employment to his daughter and allot a free house for his family at Coimbatore.**

SOCIAL SECURITY

74. Pursuant to the announcement made in the Budget last year that house-site pattas would be given to those persons who have occupied and constructed houses on Government poramboke lands, 1,75,257 pattas have been issued as on 15.1.2001.

75. In the last four and a half years, 37,905 acres of land has been assigned free of cost to 56,154 landless poor, of whom, 14,689 belong to the Adi-draavidar community and 591 to the Scheduled Tribes.

76. With a view to provide social security, this Government has raised the old age pension given to fishermen, landless agricultural labourers, destitute women and physically handicapped from Rs.100 to Rs.200 per month. Moreover, the ceiling on the number of beneficiaries under this scheme has been removed. There are 10.44 lakh beneficiaries under this scheme in the current year. The total expenditure under this scheme has increased from Rs.65 crores in 1995-96 to Rs.248 crores in the current year.

77. As promised in last year's Budget, free computer education is being provided to 300 disabled persons in six centres. Training is also proposed to be given to 300 handicapped persons to become medical laboratory technicians and ECG and X-Ray machine operators.

WELFARE OF WEAVERS

78. Under the scheme of distribution of free dhoties and sarees, which also serves to encourage weavers, 81 lakh sarees and 74 lakh dhoties at a cost of Rs.110 crores have been distributed at the time of Pongal this year to landless agricultural labourers, people below poverty line and the urban poor.

79. During the current year, handloom goods worth Rs.70 crores have been exported through the weavers' co-operative societies. A scheme for providing training to the children of weavers at the National Institute of Fashion Technology (NIFT) is under implementation.

80. In the last four and a half years, the insurance cover for handloom weavers has been raised from Rs.15,000 to Rs.50,000.

The monthly old age pension for weavers has also been raised from Rs.100 per month to Rs.200 per month. At present, 7515 weavers are benefiting under this scheme.

81. This Government has changed the earlier system of allowing rebate on sale of handloom cloth for only 100 days a year and is now allowing 20% rebate throughout the year. In the current year, 30% rebate was allowed for the Pongal Festival. A sum of Rs.69 crores has been allocated towards handloom subsidy in the current year.

WELFARE OF TRADERS

82. The decisions announced in the Budget last year to remove many of the practical difficulties relating to sales tax have received an overwhelming response from the traders. Particularly, raising of the limit for self assessment of sales tax from Rs.20 lakhs to Rs.1 crore has benefited more than 1 lakh traders.

83. The Traders' Welfare Board set up by this Government in the year 1989 has now been enlarged and reconstituted to include nine additional non-official members.

84. In the current year, 11 check posts of the Commercial Taxes department and 29 checkpoints set up by the Agriculture department have been removed.

85. Retail traders of agricultural produce with an annual turnover of any notified agricultural commodity upto Rs.5 lakhs will be exempted from getting a licence. This will benefit more than 25,000 retail traders of agricultural produce. Further, rice mills with motors upto 5 H.P. capacity doing 'cooly' hulling will be exempted from obtaining a licence.

LABOUR WELFARE

86. This Government has constituted the Tamilnadu Manual Workers Social Security and Welfare Board for the benefit of more than 60 categories of unorganised labour. In addition to the existing Board for construction workers, this Government has also constituted separate Boards for the welfare of those categories of labour who are in large numbers such as agricultural labourers, weavers, palm workers, auto rickshaw drivers, barbers, washermen, cobblers, craftsmen, tailors and painters. These Boards will provide accident relief, marriage assistance, maternity benefits and assistance for children's education for the labourers registered with them.

87. Since 1999-2000, this Government has been providing a sustenance grant of Rs.250 per month to labourers who have been affected by closure of factories. At present, 8,081 workers are receiving this assistance. Besides this, a scheme started in 1998, for providing relief to such workers every year during Deepavali has been continued in the current year and Rs.63 lakhs have been disbursed.

HOUSING

88. During the period 1996-97 to 2000-01, 9 lakh house-site pattas have been distributed. Among the beneficiaries, 3.03 lakh belong to the Adi-dravidar community, 10,794 to the Scheduled Tribes and the rest belong to other communities.

89. One of the new schemes implemented by this Government is the provision of free houses with asbestos roofs, complete with walls and doors, to families living in slums in Corporation areas. Under this scheme, taken up by the Tamilnadu Slum Clearance Board, 21,329 houses have been completed upto 31-3-2000 at a cost of Rs.26.5 crores. During the current year, the construction of such houses

for 26,000 additional families at a cost of Rs.39 crores will be completed shortly.

90. Under the scheme for providing quarters for police personnel, this Government accorded sanction for the construction of 12,102 quarters in the last four and a half years at a cost of Rs.348.19 crores through the Tamilnadu Police Housing Corporation. 10,111 quarters have been completed so far. The construction of the remaining quarters is progressing speedily.

DISTRICT ADMINISTRATION

91. After this Government assumed office in 1996, five new districts - Theni, Tiruvallur, Tiruvarur, Namakkal and Ariyalur - have been formed. The construction of nine Collectorate office complexes at Villupuram, Tiruvallur, Toothukudi, Tiruvannamalai, Karur, Namakkal, Theni, Tiruvarur and Nagapattinam at a cost of Rs.60.54 crores, in the last four and a half years is a historic achievement of this Government.

WELFARE OF GOVERNMENT EMPLOYEES, TEACHERS AND PENSIONERS

92. This Government has always been keen to protect the welfare of Government employees. Accordingly, suitable action has been taken on the decisions announced during the conference of the Tamilnadu Government Officials' Union. In the current year, the Pongal bonus for the C & D categories of Government employees has been raised to one month's pay subject to a maximum of Rs.2500.

93. Accepting the demand of Government employees, this Government has introduced a new retirement benefit scheme called the Tamilnadu Government Employees Special Provident Fund and Gratuity Scheme, 2000.

ANNUAL PLAN

94. The Government of Tamilnadu has consistently achieved the approved plan outlay every year. In the current year also, the plan outlay of Rs.5700 crores will be fully achieved. The year 2001-2002 is the terminal year of the Ninth Five Year Plan. The plan outlay for that year will be finalised after the general elections in consultation with the Union Planning Commission.

FINANCIAL POSITION

95. When the current year's budget was presented to this House in March 2000, the estimate of revenue receipts was Rs.18,406 crores and that of revenue expenditure was Rs.21,565 crores. In the Revised Estimates for 2000-2001, the revenue receipts will be Rs.18,396 crores and the revenue expenditure will increase to Rs.22,318 crores.

96. In the Interim Budget estimates for the year 2001-2002, the revenue receipts are expected to be Rs.20,635 crores and revenue expenditure is expected to be Rs.24,294 crores.

97. In 1999-2000, the deficit in the revenue account was Rs.4400 crores. In the Revised Estimates for 2000-2001, this has come down to Rs.3922 crores. This deficit will be Rs.3659 crores in the Interim Budget for the year 2001-2002.

98. In the current financial year, the overall deficit in the Revised Estimates is likely to be Rs.431 crores. This is less than the overall deficit of Rs.668 crores projected in the Budget Estimates of the current year. The overall deficit in the Interim Budget for the year 2001-2002 has been estimated at Rs.996 crores. This level of deficit would not have arisen had the Eleventh Finance Commission been fair to us. Hence, as one of the measures for raising resources, we will

continue to urge the Central Government to increase the incentive grant to the State Government.

99. I have prepared this Budget keeping in view the limitations of an Interim Budget and presented it here. I make an appeal to you, as a friend to offer your constructive suggestions to further develop and encourage and add strength and lustre to the spirit of goodwill which has prevailed in this House, notwithstanding our differences in policy and perception.

100. I thank the Finance Secretary, Thiru. R. Santhanam, I.A.S. and Government officials who have fully co-operated with me in preparing this Budget.

VANAKKAM

M. KARUNANIDHI
CHIEF MINISTER

Chennai,
29th January 2001,
Thai 16,
Tiruvalluvar Aandu 2032.