

**MINUTES OF THE STATE PLANNING BOARD MEETING HELD ON
12.8.2004**

The meeting of the State Planning Board was held on 12.8.2004 under the Chairmanship of His Excellency the Lt. Governor in the Conference Hall of the Chief Secretariat to discuss and finalise the Draft Annual Plan 2004-05. ~~es~~ Chief Minister, Health Minister, Education Minister, Local Administration Minister, Agriculture Minister, Members of Parliament (Rajya Sabha and Lok Sabha), Leader of Opposition, Chief Secretary, Secretary (Planning) and Secretaries to Government participated in the meeting. The non-official members namely Prof.S.Mohankumar, Institute for Financial Management and Research, Chennai, Dr.K.Sham Bhat, Head of Department of Economics, Pondicherry University, Thiru R.S. Chari, former Chief Secretary also participated in the meeting.

At the outset, Chief Secretary welcomed the Chairman, Vice-Chairman and the members of the State Planning Board. He informed that for the Annual Plan 2003-04 an amount of Rs 468.23 crore was spent against the outlay of Rs 468.63 crore which works out to 99.92%. He further stated that presently an outlay of Rs 461 crore has been budgeted with the approval of Ministry of Home Affairs, Government of India. He informed that the Draft Annual Plan 2004-05 proposals for Rs 873 crore has been prepared and sent to Planning Commission during December 2003 and the same could not be placed before the Board for approval due to the sudden demise of the then Chairman and the conduct of General Elections. The discussions between Chief Minister and Dy.Chairman, Planning Commission will be held shortly at New Delhi to finalize the size of the Annual Plan 2004-05 of this

Union Territory and the suggestions of the members would be taken note of while implementing the schemes in the current financial year and while formulating the Draft Annual Plan 2005-06.

Secretary (Planning) then made power point presentation detailing the socio-economic indicators, outlays/expenditure for the Annual Plan 2003-04, categorywise /head of department wise proposed/budgeted outlays for Annual Plan 2004-05, major ongoing projects etc.

His Excellency the Lt.Governor in his inaugural address observed that Administration proposed a plan size of Rs 873 crore in the Draft Annual Plan 2004-05 and Planning Commission may agree for at least Rs 600 crore and UT's own resources and Central Assistance would be fixed accordingly. He spelt out certain suggestions for the over all development of this territory.

- All the plan programmes should be based on the Common Minimum Programme, which was announced by the Central Government recently.
- To identify ongoing projects, review the progress and allocate adequate funds to complete the ongoing projects first. New projects to be taken up subsequently.
- Low cost technology should be used in all spheres of activity like construction of building, laying of roads etc.
- Generation of employment opportunities, removal of poverty should be the central theme of all our plan schemes. Priority should be given for schemes aiming towards better utilisation of human resources.

- Nearly 74% of the population live in urban areas in this UT and necessary steps to be taken to solve urban unemployment problem.
- Wherever possible user charges may be introduced to strengthen our resource base. Revenue collections from the users may be spent for providing better services to users themselves.
- Major portion of revenue earnings is spent on salaries and other establishment expenditure. This needs to be looked into.
- Regional allocations should be need based.
- The proposals pertaining to Karaikal region namely beach beautification, Temple Town improvement and Fishing harbour are being considered favourably by Government of India.
- Identify genuine voluntary organizations that are rendering good services and there is no harm in taking their assistance.
- Success of the government rest on meeting the aspiration of people and priority to be given to the actual requirement of people.

Thiru V. Narayanasamy, Member of Parliament (Rajya Sabha) pointed out that there has been a lack of coordination among the departments like Public works, Electricity and Telecommunication particularly in digging of roads which lead to wasteful expenditure and it should be avoided. There has been an enormous delay in the completion of underground ground drainage project in Rainbow Nagar and Venkata Nagar areas and

implementation of such projects should be completed within the time frame. Steps should be taken to start many industries in Karaikal based on the power generated from the TR Patinam plant which would solve the unemployment problem in the region. He also suggested to enhance the power generation capacity of Power Generation Plant at Karaikal. New industrial policy should be announced at the earliest. Action should be taken for development of tourism and adequate funds to be provided in the budget for promotion of tourism. Plan allocations for Karaikal region need to be stepped up. Below Poverty Line survey report of this UT should be released immediately. Based on the report all the welfare schemes should be implemented for the benefit of the rural poor.

Secretary (Local Administration) clarified that a committee has been constituted with Public Works Department, Electricity, Local Administration departments and BSNL to have coordination in digging of roads. The concerned department should get prior permission from this Committee before digging of roads. He further stated that village energy societies will be formed in rural areas for implementation of schemes under Non Conventional Sources Energy programmes of DRDA.

Dr.M.Ramadoss, Member of Parliament, (Lok Sabha) suggested that the Plan document to be prepared on the basis of the priorities given in the Common Minimum Programme. The document should indicate the annual growth rate of the territory. Schemes pertaining to Special Component Plan to be incorporated in the document and outlay apportioned under SCP be indicated. Plan outlay should be allocated to Primary, Secondary and

tertiary sectors based on their contribution to GDP. Plan allocations to Karaikal region need to be stepped up. Action should be taken to create tangible assets which will provide more employment opportunities. Further he also suggested that the Plan document should be prepared on the basis of the recommendations given in the "Vision 2020" document.

Thiru R.V.Janakiraman, Leader of Opposition, Legislative Assembly suggested that action should be taken to reduce the unemployment in this UT and to complete the plan projects as per schedule to avoid cost escalation/cost overrun. "The Perunthalivar Kamaraj Housing Scheme" to be extended to all sections of the people who are living without proper shelter. Government should take action to start Government Medical College. Freedom fighters pension need to be enhanced. Revision of house tax should be completed without further delay. Fishing Harbour at Karaikal should be taken up immediately. Power supply system should be improved to avoid frequent power failure. Action should be taken to issue new ration cards at an early date.

Thiru R.S.Chari I.A.S. (Retd.) told that the principle of zero based budgeting system to be adopted for effective utilization of funds and document could also be prepared on the above principle. Rs 10 crore may be proposed as special grant to Local Bodies based on the recommendations of Second State Finance Commission.

Prof. S.Mohan Kumar mentioned that the possibility of setting up of desalination plant may be examined to augment water supply for the

Union Territory. IT related industries should be set up. Action should be taken to avoid power transmission loss. Possibility of private finance for implementation of certain plan schemes may be examined.

Dr. Sham Bhat suggested that sufficient plan funds may be provided for thrust areas. Fee structure of private colleges for higher education need to be carefully examined to ensure that poor students are not exploited.

Hon'ble Minister for Education observed that more funds to be allocated to Tourism sector. Action may be taken for improvement of ECR road upto Karaikal and action should be taken to set up IT related Industries in our UT.

Hon'ble Minister for Health observed that additional funds may be provided for the development of port. Action should be taken for development of fishing harbour at Mahe. Outlay should be provided on priority basis for the time bound programmes in outlying regions.

Secretary (Welfare) informed that a separate document for SCP is being prepared annually and outlay earmarked for SC percentage of the population (16%) should be fully spent.

Chief Minister was happy to note that expenditure under Plan was 99.92% for the Annual Plan 2003-04. He hoped that for the current Plan 2004-05, the administration would get higher outlay after the discussion with the Dy. Chairman, Planning Commission which would help to implement new programmes announced in the Budget Speech 2004-05. He told that

the development of primary education has been contributing significantly for the economic progress of the state and his government is giving top priority for primary education and related infrastructure development. Further he added that government would also encourage setting up of more industries which would provide employment opportunities to the unemployed youths. He also informed that Ministry of Environment has cleared the proposal for setting up of a Fishing Harbour at Karaikal. Since Perunthalaivar Kamarajar Housing Scheme had good response among the people the same would be extended to all people who are living without proper shelter. Finally he requested the officers to render full cooperation for the successful implementation of the plan schemes and assurances given in the Budget Speech.

Finally after detailed deliberations the Planning Board approved the proposals and suggested that Government of India may be approached for liberal Central Assistance for funding the Plan programmes so as to maintain the present tempo of economic development.
