

## **1.5. Development imperatives for 2007-08**

### ***Revival of Agriculture***

**1.5.1.** Although the decline in contribution of Agriculture to the GSDP was mainly attributable to the drought conditions, the sector as a whole is yet to fully emerge from the crisis. During the Annual Plan, the State will accord top priority to the revival of the agriculture sector in the State. This is proposed to be achieved through improving farmers' access to cheap and timely credit and other inputs, promotion of efficient farming practices through effective extension services, emphasis on improved dryland agriculture, enhancing markets linkages and strengthening storage and marketing infrastructure in rural areas. Towards this, the State Government has been taking several steps and contemplating innovative schemes. The Government is implementing a scheme for distribution of 2 acres of wasteland to landless poor Agricultural labour families to improve the livelihood of the farmers as well as to achieve equitable growth. Successive monsoon failures in the State have led to increased indebtedness among farmers with major share of their loans coming from unorganized moneylenders. To obviate the hardships to the farmers, the state government has waived farmers' Co-operative Loans to the tune of over Rs.7,000 crore. The State Government has already announced social security and welfare assistance to farmers & agricultural labourers. The interest rate for crop loans extended by the Co-operative Banks has been reduced from 9% to 7%.

**1.5.2.** To ensure remunerative prices for the farmers, the state government is extending the market facilities through setting up of Farmer's Market, Trade Market and efficiently managed Regulated Markets. The 11<sup>th</sup> Plan lays specific emphasis on the possibility of interlinking rivers within the State as a means of achieving sustainability of irrigation sources, and improving institutional arrangements for water management.

### ***Improvement of Industries and Infrastructure***

**1.5.3.** In order to give a boost to the industrial investments in the State, steps are proposed to be taken for the upgradation of infrastructure by

according high priority to road connectivity and the quality of the major roads in the high traffic corridors. For, ensuring conditions conducive to facilitation of industrial growth, the State proposes simplification of procedure. To attain equitable growth in the State, especially in the southern districts of the State where industrial investment has been lagging, improvements in the connectivity in the southern districts, setting up of a southern gas grid to meet energy requirements, along with planned activities like the setting up of industrial parks with private sector participation are contemplated. To meet the industry's demand for skilled manpower at various levels, it is proposed to develop appropriate training and skill development programmes in the technical training institutions like Industrial Training Institutes (ITI) and polytechnics. The State may have to consider more comprehensive and direct intervention in the case of the small scale and rural and cottage industries. In this direction, the State had a tax-free budget in 2006-07, which facilitated a favourable climate to attract industrial investments and tourism projects. Tax exemption has been given to hank yarn. The State has adopted Value Added Tax from 1.1.2007. Concessions have been given to the film industry which has good employment potential. Tamil Nadu is a leading center for the automobile sector and has a reputation as the "Detroit of India". Because of this, it has been chosen for setting up of the Global Automotive Research Centre at Oragadam near Chennai.

### ***Rural Development and Poverty Alleviation***

**1.5.4.** The State has launched a path-breaking initiative known as the "All Villages Anna Renaissance Scheme" to all 12,618 village panchayats in the State over the next 5 years (2006-07 to 2010-11) with an allocation of Rs.2,500 crore. This scheme provides untied funds to be allocated at the local level through decentralized planning to ensure availability of basic amenities in every single village. 20% of the villages will be covered each year. A big push to district planning will be given this year. Other programmes implemented for rural development are Indra Awaz Yojana,

(IAY), Sampoorna Gramin Rojzar Yojana (SGRY), National Rural Employment Scheme (NREGS), SGSY etc.,

**1.5.5.** The target proposed by the Union Planning Commission is to bring the poverty ratio down to the level of 12.7% during the eleventh Plan period. The implementation of existing poverty alleviation programmes is to be analysed for further enhancing their utility towards the objective. While special programmes to target the people below poverty line are to be continued, new schemes have to be put in place. In addition to the poverty alleviation programmes, the State is taking steps to safeguard the dignity of the poor people by taking care of their bare needs. Towards this, marriage assistance has been increased and assistance to aged persons, widows, physically handicapped and artistes in distress has been doubled. Distribution of rice at Rs.2 per Kilo has been implemented. Free colour TV and gas stoves with deposit for gas connection have been provided to poor families. Self Help Groups for youth and scheme for unemployment allowance to the youth have been formulated.

### ***Decentralised Planning***

**1.5.6.** Tamil Nadu is firmly committed to decentralized planning and comprehensive guidelines for district-level planning were issued in 2001. The District Planning Committees were constituted in 2001. The elections to Panchayat Raj bodies were concluded recently and the process of reconstituting the District Planning Committees will be completed shortly. District Planning Cells have been created in each district to support the District Planning Committees. The “All Villages Anna Renaissance Scheme” with an outlay of Rs.500 crore per annum provides untied funds at local level (Rs.20 lakh per village). This unique scheme, with its untied, flexible and decentralized approach will make genuine local planning a reality rather than a mere arithmetic aggregation of tied schemes decided at Central/State level.

### ***Tackling Urban Issues***

**1.5.7.** Tamil Nadu is India’s most urbanized State (44% urban population). Urban issues are thus equally important. Urban poverty is on

the rise and greater emphasis should be given to equipping the urban poor with employable skills. As the State is attempting to further strengthen its appeal as an attractive investment destination, it is needless to say that the urban infrastructure needs to be built to cope with the rising demand. The State proposes a time bound plan to develop the infrastructure and services in cities and towns with urban local bodies generating their own resources for investment in infrastructure. The State's intervention will mainly be in the form of a facilitator, enabling urban local bodies to access the required funds through public private partnerships proposes and empowering urban poor to take up remunerative activities through the Self Help Groups. The State has decided to implement sewerage schemes in all district headquarters towns in the State. The State intends to implement a Metro Rail Project for Chennai city. It will advocate the creation of a long term debt market in India to obviate the problems arising out of the long gestation periods in infrastructure projects.

### ***Employment Generation***

**1.5.8.** The UPC target is to create 3 million additional jobs. Implementation of NREGS, generating employment opportunities by taking economic activities through Self-Help groups and designing policies and programmes for creating additional employment opportunities will help to achieve this target.

### ***Improving Health and Nutrition***

**1.5.9.** In the health sector, the reduction of IMRs, particularly female IMR and maternal mortality are the top most priorities. This reduction is proposed to be achieved by continuing the ongoing schemes to gear up emergency obstetric services and to focus especially in areas, which have been showing high mortality rates, by providing effective services in urban areas where the IMR has been showing an upswing in recent years, by creating a credible system of primary health care in urban areas during the Eleventh Plan period. The State has provided a financial assistance of Rs.6,000/- to poor pregnant women to get nutritious food. Provision of eggs

twice a week for students in nutritious noon meal programme is also another step to promote health and nutrition in the State.

### ***Improving Education***

**1.5.10.** The UPC has proposed to target the drop out rate in Elementary education at 9.74% which is already reached in Tamil Nadu. The proposed target for Tamil Nadu during the eleventh plan is to achieve 96.72% literacy rate with a male literacy rate 97.52% and female literacy rate of 95.93%. The gender gap has been pegged at 1.6 %age point. To achieve the high literacy rate, special programmes to expand adult education, detailed analysis of the population by age group and level of literacy rate among different age group, continuation of different programmes to improve literacy and the girls education and special programmes on social awareness to promote Women's education are needed.

**1.5.11.** The State proposes to move towards universal secondary education. Strengthening of school infrastructure, capacity building of teachers and monitoring of the performance of schools and teachers through community based systems are some of the suggested strategies to tackle gaps in the education sector. The State has enhanced educational infrastructure by providing additional school buildings. Contractual appointment of teachers has been completely abolished and about 50,000 teachers brought on time scale of pay to improve quality and motivation. Steps have been taken for fresh appointment of teachers in schools, lecturers in Government Colleges, lecturers in Government Engineering Colleges, lecturers in Government Polytechnics. The fee for Government Engineering College students has been drastically reduced.

### ***Welfare of SCs and STs***

**1.5.12.** The objective is to create a favourable facilitating environment to ensure speedy socio economic development of SCs/STs. The approach of the State in the plan is to strengthen the infrastructure particularly in education and basic amenities directly benefiting the SCs/STs and to implement various welfare programmes and economic development programmes to ensure sustainable social and economic development among

SCs/STs. It is proposed to gradually integrate the separate schools for SC/ST with general schools, since it has been found that the performance of the existing separate schools is abysmally low compared to the 'general' schools. The planning and monitoring mechanism has been strengthened by designating the Adi Dravidar & Tribal Welfare Department as the Nodal Department for the SCSP/TSP. The State proposes effective implementation of the SCSP and TSP and thorough monitoring of these components. The flow to SCSP and TSP (inclusive of estimated flow from indivisible schemes) constitutes 20% and 1.8% to the total outlay for 2007-08. However, excluding the infrastructure sectors viz., Irrigation, Power, Transport, the flow of the outlay to SCSP works out to about 30% of total outlay.

### ***Ensuring Equity***

**1.5.13.** The 11<sup>th</sup> Plan stresses the need for eliminating the urban-rural, rich-poor and even a north-south divide in the quality of education offered in schools, addressing the gender, caste and even religious disparities which exist in terms of access and making the public sector more effective and responsive in ensuring services like health and education.

**1.5.14.** The strategy to improve the human development indices of the State must concentrate on reaching the groups and sections of people who are the most vulnerable and who have been relatively excluded from the benefits of the progress that has been achieved in the State. A significant proportion of the Scheduled Caste (SC) and Scheduled Tribe (ST) population in the State are economically backward and still lack access to education, proper health care and employment. The ameliorative measures for the social and economic welfare and empowerment of such marginalized groups including Backward/ Most Backward Classes and Minorities need to be continued with far more vigour during the coming Plan period, with a focus on providing full opportunities for education, including technical education, reducing the incidence of poverty through employment and income earning opportunities and fulfilling housing and other basic services needs.

## ***Social Security***

**1.5.15.** Tamil Nadu has been a guiding example in the implementation of social security schemes. Schemes like the old age and destitute widow pension schemes, assistance to poor pregnant women etc, have been replicated at national level. The reach of these schemes is proposed to be widened in the 11th Plan period by reviewing their administration. Action is contemplated to club various social security schemes under a single administrative set up at the State level so as to ensure that the benefits reach the people. The population of the old people is another segment, which needs immediate attention. The existing schemes for the old would be expanded to provide full coverage of all aged persons in poor households. The State has been implementing several welfare measures for the social and economic uplift of women. For the marriage of poor girls, irrespective of caste and religion, the State is providing financial assistance of Rs.15,000/-. Pregnant women in the State are provided with a financial assistance of Rs.6000/- to enable them to maintain their nutritional level. The State encourages inter-caste marriages and widow-remarriages through provision of financial assistance. Women entrepreneurs are encouraged by extending small loans to women for petty trades.